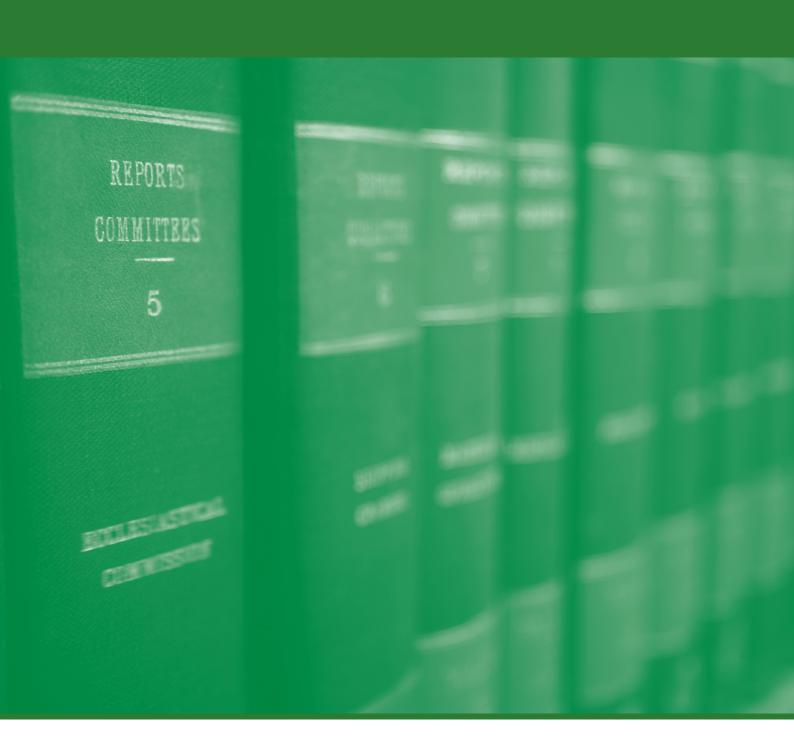


# Committee on Investment, Industry and Regional Development

Report 3/57 – November 2021

Inland Rail project and regional NSW



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## Membership

**Chair** Mr Justin Clancy MP, Member for Albury

**Deputy Chair** Mr Peter Sidgreaves MP, Member for Camden

Members Mr Clayton Barr MP, Member for Cessnock

Ms Steph Cooke MP, Member for Cootamundra

Mr Phil Donato MP, Member for Orange Mr David Harris MP, Member for Wyong Mr Geoff Provest MP, Member for Tweed

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### Chair's foreword

I am pleased to present the Report for the Committee on Investment, Industry and Regional Development's inquiry into the Inland Rail project and regional NSW. The Committee commenced this inquiry to identify economic development opportunities arising from the project and what needs to be done to maximise these opportunities. The Committee has made seven findings and ten recommendations aimed at addressing some of the issues raised during the inquiry.

Inland Rail was largely viewed by inquiry participants as a major infrastructure project with multiple benefits for regional communities and the wider NSW economy. The Committee found that Inland Rail presents opportunities to: attract skilled workers to regional and rural areas; develop the skills of local workforces; and support industry diversification. The creation of special activation precincts and regional job precincts along the Inland Rail route were viewed as a positive measure to support job creation and investment.

To further maximise the opportunities and benefits of Inland Rail, inquiry participants stressed the importance of upgrading and connecting the existing NSW freight network to Inland Rail and eastern ports. Linking regional businesses and communities to Inland Rail is important, especially to those communities not directly situated along the Inland Rail route. The Committee has recommended the NSW Government proceed with a business case to investigate and explore upgrades to the existing freight network to ensure connection to Inland Rail and eastern ports.

The Committee also noted the importance of ensuring safety where Inland Rail connects with road traffic. Grade separation between Inland Rail and roads will improve safety and support a more efficient freight network. The Committee understands that the NSW Government is currently working with the Federal Government on grade separation and has recommended this work continue as a priority.

The inquiry also highlighted the need for effective communication and consultation on significant infrastructure projects such as Inland Rail. During the inquiry concerns were raised about the level of effective engagement with impacted communities. The Committee has recommended the NSW Government develop an engagement strategy that details clear expectations in relation to communication and consultation between proponents and stakeholders of State-significant infrastructure projects such as Inland Rail.

In addition, the Committee has recommended the NSW Government facilitate a central point of contact and coordination for Inland Rail related projects and the development of an Inland Rail strategy to provide clear policy objectives for NSW.

I would like to thank everyone who contributed to this inquiry through making a submission, meeting with the Committee and appearing at the public hearings. I would also like to thank my colleagues: the Deputy Chair, Mr Peter Sidgreaves MP; Mr Clayton Barr MP; Ms Steph Cooke MP; Mr Phil Donato MP; Mr David Harris MP; and Mr Geoff Provest MP for their contributions to this inquiry and their dedication to the work of this Committee.

Finally, I'd like to thank the Committee staff for their work throughout this inquiry.

Justin Clancy MP

Chair

# Findings and recommendations

Finding 1	_4
The Committee finds that the Inland Rail project presents opportunities for regional communities to attract skilled workers to their regions and also develop the local workforce through training and upskilling.	
Finding 2	_5
The Committee finds that the Inland Rail project presents opportunities to attract new and diverse industries to regional areas, and that Special Activation Precincts and Regional Job Precincts may assist in promoting diversification and providing support for regional communities.	
Finding 3	_ 7
The Committee finds that the Inland Rail project reiterates the importance of digital connectivity in rural and regional areas.	
Finding 4	_9
The Committee finds that the NSW Government should consider linking Inland Rail with eastern ports to optimise opportunities for NSW businesses.	
Recommendation 1	_9
The Committee recommends that the NSW Government proceed with a business case to investigate and explore upgrades to the existing freight network to ensure connection to Inland Rail and eastern ports.	
Recommendation 2	_9
The Committee recommends that Transport for NSW prepare and publish a report of any potential rail assets that would be stranded as a consequence of the Inland Rail project. Furthermore, that this report outlines any costs and proposed treatments associated with an such stranded assets.	У
Recommendation 3	11
The Committee recommends that the NSW Government continues to work with the Federal Government to prioritise the grade separation of state and regional roads.	
Recommendation 4	11
The Committee recommends that the NSW Government provide support to local government to facilitate activated crossings with local roads and improved rail and road safety.	t
Recommendation 5	17
The Committee recommends that the NSW Government investigate additional locations alon the Inland Rail route for intermodal terminals and ensure that surrounding infrastructure can support freight movement.	_
Finding E	10

and associated infrastructure and that the NSW Government can support this by facilitating planning approvals. Recommendation 6 \_\_\_\_\_\_\_18 The Committee recommends that the NSW Government work with the Commonwealth Government to ensure that civil engineering projects for townships associated with the Inland Rail project are designed and built to offer long standing legacy benefits. Recommendation 7 \_\_\_\_\_\_21 That the NSW Government facilitate a central point of contact and coordination for Inland Rail related projects. Recommendation 8 \_\_\_\_\_\_21 That the NSW Government develop an Inland Rail strategy to provide clear policy objectives for New South Wales. Finding 6\_\_\_\_\_ 23 The Committee found significant concern in a number of regional communities over the current proposed route, in particular the Narromine to Narrabri section. 25 The Committee found that a number of stakeholders were dissatisfied with the Australian Rail Track Corporation's consultation process. Recommendation 9 \_\_\_\_ The Committee recommends that the NSW Government develop an engagement strategy that details its clear expectations in relation to communication and consultation between proponents and stakeholders for State-significant infrastructure projects in NSW, such as the Inland Rail project. Recommendation 10 25 The Committee recommends that the NSW Government respond to the findings and recommendations of the Senate Standing Committee on Rural and Regional Affairs that pertain to the NSW Government.

The Committee finds that the Inland Rail project has potential to impact on housing demand

# Chapter One – Economic development opportunities

#### Overview of the Inland Rail project

- 1.1 The Inland Rail project is a freight rail line connecting Melbourne and Brisbane through regional Victoria, New South Wales and Queensland. It is a fully funded Commonwealth Government initiative to be delivered by the Australian Rail Track Corporation (ARTC).<sup>1</sup>
- 1.2 The Inland Rail project consists of 13 individual projects. Seven of these projects are based in NSW and they involve a mix of major upgrades to existing tracks as well as construction of new tracks. The key sections of the Inland Rail route in NSW are:
  - Albury to Illabo
  - Illabo to Stockinbingal
  - Stockinbingal to Parkes
  - Parkes to Narromine
  - Narromine to Narrabri
  - Narrabri to North Star; and
  - North Star to Border (Queensland).<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> NSW Government, <u>Submission 45</u>, p 4.

<sup>&</sup>lt;sup>2</sup> NSW Government, <u>Submission 45</u>, p 4.

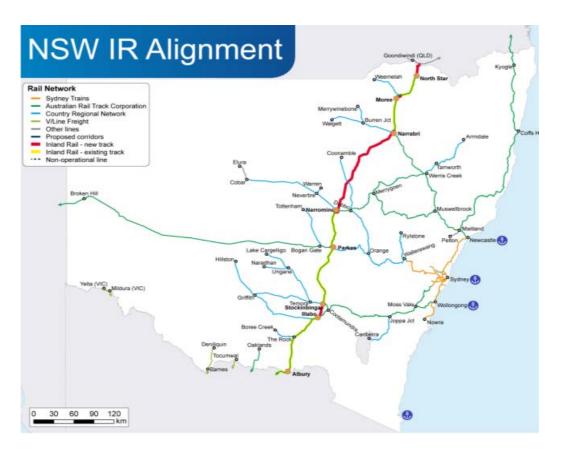


Figure 1: Inland Rail alignment<sup>3</sup>

#### **Economic benefits for New South Wales**

- 1.3 Stated benefits of the project are that it will create over a thousand new full-time equivalent jobs in regional NSW and reduce pressure on the freight network.<sup>4</sup> It is regarded as a 'landmark national infrastructure project' that presents major economic opportunities for New South Wales.<sup>5</sup>
- 1.4 There was broad support and acknowledgement from inquiry participants of the benefits that Inland Rail could potentially deliver to NSW.
- 1.5 Roads Australia noted that the Inland Rail project makes good economic sense at a time when government, business and the community are calling for investment in productive infrastructure. Roads Australia further submitted that projects of this scale have inter-generational benefits and increase the transport and infrastructure industry's confidence to make investment and employment commitments.

<sup>&</sup>lt;sup>3</sup> NSW Government, <u>Submission 45</u>, p 3.

<sup>&</sup>lt;sup>4</sup> Submission 45, NSW Government, p 3.

<sup>&</sup>lt;sup>5</sup> Submission 45, NSW Government, p 4.

<sup>&</sup>lt;sup>6</sup> Submission 20, <u>Roads Australia</u>, p 1.

<sup>&</sup>lt;sup>7</sup> Submission 20, <u>Roads Australia</u>, p 3.

- 1.6 Lake Macquarie City Council noted that the project would provide diverse employment opportunities in regional communities, making them more resilient and attractive locations to live, work and visit.<sup>8</sup>
- 1.7 The Australasian Railway Association submitted that Inland Rail has the potential to have a transformational impact on regional economies delivered at a time when it is most needed in the COVID economy, both during the construction phase and in the longer term. In evidence before the Committee the Association further commented that regulatory reform and clear supportive policies were needed to create an environment that maximised the benefits arising from the project. 10
- 1.8 The capacity of the Inland Rail project to be transformational was also noted by Moree Plains Shire Council. The Council recognised that the project creates a number of economic development opportunities for their local government area, but that incentives for long term growth were needed to maximise the returns on investments for regional NSW.<sup>11</sup>
- 1.9 In its submission, Infrastructure Partnerships Australia also noted the potential economic and other benefits from the project:

The project could deliver broad-ranging benefits by supporting growth in regional industries, boosting export opportunities, improving the efficiency of the freight network and supporting decarbonisation efforts by moving some freight from road to rail.  $^{12}$ 

- 1.10 However, Infrastructure Partnerships Australia also submitted that simply delivering the Inland Rail project was not enough and highlighted the actions that are needed to ensure that the benefits are fully realised. The organisation suggested that key government actions should include:
  - Integrating key intermodal facilities with other freight services and developing localised strategies for supporting demand for Inland Rail.
  - Engaging regional communities on opportunities arising from Inland Rail, ensuring developments are aligned with the distinct needs of these regional communities.
  - Providing clarity about the policy measures to ensure local businesses and communities have the time and capacity to adapt to the opportunities Inland Rail brings, and to make any related investments or commercial changes with confidence.

<sup>&</sup>lt;sup>8</sup> Submission 7, <u>Lake Macquarie City Council</u>, p 1.

<sup>&</sup>lt;sup>9</sup> Submission 44, <u>Australasian Railway Association</u>, p 4.

<sup>&</sup>lt;sup>10</sup> Ms Georgia Nicholls, General Manager, Rail Freight, Australasian Railway Association, <u>Transcript of evidence</u>, 7 May 2021, p 14.

<sup>&</sup>lt;sup>11</sup> Submission 19, Moree Plains Shire Council, p 1.

<sup>&</sup>lt;sup>12</sup> Submission 22, <u>Infrastructure Partnerships Australia</u>, p 1.

- Future-proofing the freight corridor through corridor preservation to ensure urban encroachment does not prevent future development of key intermodal connections.
- Working closely with the Federal, Queensland and Victorian Governments to ensure there is a joined-up approach to realising the benefits of the project.<sup>13</sup>

#### Workforce attraction and development

#### Finding 1

The Committee finds that the Inland Rail project presents opportunities for regional communities to attract skilled workers to their regions and also develop the local workforce through training and upskilling.

- 1.11 Several stakeholders informed the Committee that the Inland Rail project presents opportunities to develop the skills of the local workforce and to also attract workers to the regions.
- 1.12 The New England Joint Organisation (NEJO) submitted that the project will require workers for the construction phase. The NEJO cited the population decline in 6 out of 7 NEJO local government areas and suggested that the project creates a substantial opportunity to incentivise city residents to move to rural and regional areas to meet the demand for skilled labour.<sup>14</sup>
- 1.13 Lake Macquarie Council also considered there was a 'tremendous' opportunity to create local jobs during the construction and operational phase of the project, including, education and pre-employment activities that may assist local individuals and companies to be involved in the delivery of rail services in NSW. They added that such opportunities may also assist disadvantaged groups in obtaining employment.<sup>15</sup>
- 1.14 Dubbo Regional Council submitted that the project will enable businesses in regional NSW to look at how they can grow their business through efficiencies and new technology, which will require workforce training support and workforce attraction to the regions. <sup>16</sup>
- 1.15 Parkes Shire Council indicated that the construction phase of the project has had a direct impact on the Parkes Shire economy and that this impact may be replicated along the Inland Rail line. They submitted that during the construction phase, Parkes Shire's unemployment rate reduced from 7.6% in December 2018 to 4.6% in June 2020.<sup>17</sup>
- 1.16 In its submission, the NSW Government similarly noted the positive impacts that the construction phase of the project is having on jobs and regional businesses.

  They highlighted examples of local businesses supplying materials to the ARTC

<sup>&</sup>lt;sup>13</sup> Submission 22, <u>Infrastructure Partnerships Australia</u>, pp 2-3.

<sup>&</sup>lt;sup>14</sup> Submission 1, New England Joint Organisation, p 1.

<sup>&</sup>lt;sup>15</sup> Submission 7, <u>Lake Macquarie City Council</u>, p 1.

<sup>&</sup>lt;sup>16</sup> Submission 9, <u>Dubbo Regional Council</u>, p 2.

<sup>&</sup>lt;sup>17</sup> Submission 23, Parkes Shire Council, p 4.

and local job creation resulting from the project. For example, in September 2020 ARTC contractors delivered 22,625 tonnes of carbon neutral precast concrete culverts manufactured in Tamworth for the Parkes to Narromine section. This resulted in the employment of an additional 30 workers from the local region, as well as the engagement of local suppliers and contractors.<sup>18</sup>

#### Case Study: Inland Rail Skills Academy

An example of a successful training initiative already in place as a consequence of the Inland Rail project is the Inland Rail Skills Academy.

The Inland Rail Skills Academy was launched in August 2019 to help create opportunities for education, training, skills development and employment for communities along the Inland Rail alignment. The Academy aims to increase the number of skilled local people eligible for employment on Inland Rail and associated regional industries; to increase school student awareness and capability by connecting students with industry best practice; to create opportunities for local businesses to participate in new supply chains; and to equip Inland Rail employees with world class skills.

The Academy comprises the following partnerships and programs,

- twenty undergraduate scholarships are available through the University of Southern Queensland, Charles Sturt University and La Trobe University for students commencing their studies in 2020 and 2021
- primary and secondary schools can participate in a range of hands-on experiential-style workshops that aim to inspire learning and career path in the science, technology, engineering and maths (STEM) sector. Professional development is also offered to teachers to build their skills in teaching STEM subjects, and
- under the Grand Opportunities program, the Academy also provides six virtual
  work experiences in digital engineering, civil construction, sustainability, electrical
  technician, systems and signals operator, and environmental planner to secondary
  students and schools in alignment communities.

The Academy also focuses on upskilling and delivers skills training in rail construction, operations and rail maintenance which could lead to employment with Inland Rail. Small-to-medium enterprises in the regions along the alignment can also receive expert advice on integrating into major supply chains.

Case Study: Inland Rail Skills Academy 19

#### **Industry support and diversification**

#### Finding 2

The Committee finds that the Inland Rail project presents opportunities to attract new and diverse industries to regional areas, and that Special Activation Precincts and Regional Job Precincts may assist in promoting diversification and providing support for regional communities.

<sup>&</sup>lt;sup>18</sup> Submission 45, <u>NSW Government</u>, p 14.

<sup>&</sup>lt;sup>19</sup> Inland Rail ARTC, <u>Education and Scholarships</u> & <u>Inland Rail Skills Academy Information Sheet</u>, viewed 8 October 2021.

- 1.17 Inquiry participants referred to the 'transformational' nature of the Inland Rail project, in terms of its potential to attract new and diverse industries to regional NSW.
- 1.18 Participants submitted that the establishment of Special Activation Precincts (SAPs) and Regional Job Precincts on, or near Inland Rail would support this.

#### **Special Activation Precincts and Regional Job Precincts**

- 1.19 The Department of Planning, Industry and the Environment stated that SAPs are a new way of planning and delivering industrial and commercial infrastructure projects in identified locations in regional NSW.<sup>20</sup> They combine planning and investment support services such as:
  - fast tracked planning
  - Government-led studies
  - Government-led development
  - business concierge services.<sup>21</sup>
- 1.20 The NSW Government has identified six locations as SAPs with four of these being in or near Inland Rail. Stated objectives of Inland Rail SAPs include private sector investment in road/rail intermodal facilities and improved access to trade gateways at Newcastle, Port Kembla, Port Botany and ports in Brisbane and Melbourne.<sup>22</sup> The locations for the Inland Rail SAPs include Moree, Narrabri, Parkes, and Wagga Wagga.
- 1.21 There was broad support for SAPs and the benefits they provide to regional communities from inquiry participants. NSW Ports acknowledged that the proposed east-west connections at Parkes will be a key junction in the Inland Rail Network. Combined with the Parkes SAP, the 'triangle' that will be formed to the west of Parkes will become a key hub and connection point to Port Botany and Port Kembla, and will provide direct benefits to regional exporters of the Central West of NSW. <sup>23</sup>
- 1.22 Freight on Rail Group (FORG) commented that the Government's development of SAPs provides a good model for planning commercial and economic opportunities created by Inland Rail. Members of FORG have used the SAP to develop much needed terminals in the area around Inland Rail, for example, Pacific National's Parkes Logistics Terminal.<sup>24</sup>

<sup>&</sup>lt;sup>20</sup> NSW Department of Planning, Industry and Environment, <u>Special Activation Precincts</u>, viewed 8 October 2021

<sup>&</sup>lt;sup>21</sup> Submission 45, NSW Government, p 18.

<sup>&</sup>lt;sup>22</sup> Submission 45, NSW Government, p 19.

<sup>&</sup>lt;sup>23</sup> Submission 16, NSW Ports, pp 11 and 16.

<sup>&</sup>lt;sup>24</sup> Submission 25, Freight on Rail Group (FORG) of Australia, p 4.

- 1.23 Moree Plains Shire Council stated that initiatives like the Moree SAP will assist in growing the region and enhancing Moree's national and international profile for economic development and investment attraction.<sup>25</sup>
- 1.24 The Australian Railway Association (ARA) supported this view, noting that the Inland Rail project can be a catalyst and an enabler for regional communities to benefit from significant upgrading of regional rail and road networks, and enhanced supply chains. However, the ARA suggested that coordination between the ARTC and the NSW Government was essential for the potential benefits of the project to be realised.<sup>26</sup>
- 1.25 Moree Plains Shire Council submitted that, for the regional council areas that have not been declared as SAPs, other support would likely be required to assist those regional areas realise benefits from the project.<sup>27</sup>

#### Regional Job Precincts

- 1.26 Regional Job Precincts are an extension of the Special Activation Precinct program. They provide planning support and faster planning approvals aimed at providing greater confidence for investment and development. Four Regional Job Precincts have been announced at Albury, Richmond Valley, South Jerrabomberra and Namoi.<sup>28</sup>
- 1.27 In its submission Queanbeyan-Palerang Regional Council (QPRC) noted that locating Regional Job Precincts at regional areas that connect to Inland Rail offered innovation and manufacturing specialisations that had been identified in the respective council Regional Economic Development Strategies.<sup>29</sup>
- 1.28 Gilgandra Shire Council also recommended the development of Local Activation Zones for smaller communities such as Gilgandra, noting that these areas would provide zoning for local economic development opportunities related to Inland Rail.<sup>30</sup>

#### **Digital connectivity**

#### Finding 3

The Committee finds that the Inland Rail project reiterates the importance of digital connectivity in rural and regional areas.

- 1.29 Reliable and high quality mobile coverage will assist economic growth and support regional communities. However, communication black spots are an ongoing problem for rural and regional areas.
- 1.30 In its submission the Country Women's Association NSW and NSW Farmers
  Association noted that the construction phase of the project would cause a strain

<sup>&</sup>lt;sup>25</sup> Submission 19, Moree Plains Shire Council, p 2.

<sup>&</sup>lt;sup>26</sup> Submission 44, <u>Australasian Railway Association</u>, pp 5, 7 &8.

<sup>&</sup>lt;sup>27</sup> Submission 19, Moree Plains Shire Council, p 2.

<sup>&</sup>lt;sup>28</sup> NSW Government, Regional Job Precincts, viewed 8 October 2021; Submission 45, NSW Government, p 20

<sup>&</sup>lt;sup>29</sup> Submission 6, <u>Queanbeyan-Palerang Regional Council</u>, p 8.

<sup>&</sup>lt;sup>30</sup> Submission 15, Gilgandra Shire Council, p 3.

on existing telecommunications infrastructure. The Associations cited the example of existing telephone towers around North Star as not being sufficient to service the several hundred construction workers on the line and on camp sites, affecting both locals and workers for the duration of construction.<sup>31</sup>

- 1.31 They also considered that the ARTC had demonstrated a lack of understanding of the realities of living outside of urban centres in suggesting that an 'app' to track train movements will solve landholder concerns about crossing the line.

  Unreliable connectivity and mobile blackspots would make this type of technology unviable and unsafe. 32
- 1.32 Mr Greg Smith, Deputy Mayor, Moree Plains Shire, similarly advised the Committee that running a business in areas of poor mobile coverage was made more difficult as a result of the construction phase of the project. Mr Smith noted that the ARTC was putting a 5G network along the tracks, but that the bandwidth only provided 5G connectivity to the tracks and not the surrounding area. Mr Smith also advised that another company was building a private network of high speed towers that could be used to run driverless tractors and automated machinery, but that access to this network was limited to within the footprint and line of sight of the towers.<sup>33</sup>
- 1.33 In its submission, the NSW Government noted that reliable and high-quality mobile coverage was essential for driving economic growth via new jobs and population. However, outside of regional towns, this coverage was still poor or non-existent for large parts of regional NSW and there are significant opportunities for the ARTC to consider mobile blackspots in the construction of the Inland Rail project.<sup>34</sup>
- 1.34 The Department of Regional NSW is currently working with the ARTC to investigate opportunities to leverage the significant expansion of the rail corridor network in regional NSW to support delivery of the NSW Government's \$400 million Regional Digital Connectivity Program. The aim of this program is to address the digital divide between metropolitan centres and regional NSW.
- 1.35 The NSW Government has also commenced a project to improve mobile coverage along regional rail corridors, including developing and implementing remediation solutions to address poor coverage along the Albury to Illabo section of the Inland Rail. Funding to improve voice and data connectivity for regional NSW has also been provided through the Connecting Country Communities Fund.<sup>35</sup>

<sup>&</sup>lt;sup>31</sup> Submission 43, Country Women's Association and NSW Farmers Association, p 8.

<sup>&</sup>lt;sup>32</sup> Submission 43, <u>Country Women's Association and NSW Farmers Association</u>, p 8.

<sup>&</sup>lt;sup>33</sup> Mr Greg Smith, Deputy Mayor, Moree Plains Shire Council, <u>Transcript of evidence</u>, 13 September 2021, p 5.

<sup>&</sup>lt;sup>34</sup> Submission 45, NSW Government, pp 14-15.

<sup>&</sup>lt;sup>35</sup> Submission 45, <u>NSW Government</u>, pp 14-15. See also: NSW Government, <u>Regional Digital Connectivity Program</u>; NSW Government, <u>Connecting Country Communities Fund</u>, view 8 October 2021.

### Chapter Two – Infrastructure requirements

#### Connectivity to Inland Rail and the broader freight network

#### Finding 4

The Committee finds that the NSW Government should consider linking Inland Rail with eastern ports to optimise opportunities for NSW businesses.

#### Recommendation 1

The Committee recommends that the NSW Government proceed with a business case to investigate and explore upgrades to the existing freight network to ensure connection to Inland Rail and eastern ports.

#### Recommendation 2

The Committee recommends that Transport for NSW prepare and publish a report of any potential rail assets that would be stranded as a consequence of the Inland Rail project. Furthermore, that this report outlines any costs and proposed treatments associated with any such stranded assets.

- 2.1 The NSW freight network is made up of ports, shipping channels, airports, prescribed airspace, roads, rail lines, pipelines, intermodal terminals and freight-related precincts. According to the NSW Freight and Ports Plan, the network is fundamental to the State's future \$1.3 trillion economy. 36
- 2.2 There are about 9,400 kilometres of nominal route standard gauge rail across NSW, of which around 6,700 kilometres is operational. Rail freight services run on several networks in NSW that are owned by the NSW Government: the Country Regional Network (CRN), several NSW Interstate, Hunter Valley and Metropolitan Freight Networks and the Metropolitan Passenger Network. The CRN is managed by John Holland Rail and the Australian Rail Track Corporation (ARTC) leases and manages the freight networks. The Metropolitan Passenger Network is owned by the NSW Government State Owned Corporation, Transport Asset Holding Entity of NSW (TAHE) and is managed by Sydney Trains.<sup>37</sup>
- 2.3 Inquiry participants broadly agreed that Inland Rail had multiple benefits for regional communities and the wider NSW economy. However, a number of participants told the Committee that upgrading and connecting the existing NSW freight rail network to both Inland Rail and to eastern ports was required to realise benefits from the project.
- 2.4 Queanbeyan-Palerang Regional Council suggested that the NSW Government should look into infrastructure investments that optimise efficient connections to Inland Rail. 38 Similarly, the Canberra Region Joint Organisation submitted that an

<sup>&</sup>lt;sup>36</sup> NSW Government, Transport for NSW, NSW Freight and Ports Plan, Part 2: the State of Freight.

<sup>&</sup>lt;sup>37</sup> Transport for NSW, <u>NSW Rail Network</u>, viewed 8 October 2021; NSW Government, <u>Transport Asset Holding Entity</u>, viewed 8 October 2021.

<sup>&</sup>lt;sup>38</sup> Submission 6, <u>Queanbeyan-Palerang Regional Council</u>, p 11.

- overall strategic review of freight connectivity in the southern region, using a combination of port, airport, rail and road connections, was needed.<sup>39</sup>
- 2.5 Bathurst Regional Council noted that Inland Rail investment gives regional centres the opportunity to gain quick and efficient access to State capitals and overseas markets. However, the Council suggested that additional investment would be required for areas not located on the Inland Rail route to take advantage of these opportunities.<sup>40</sup>
- 2.6 Several other stakeholders also provided examples of how connectivity between Inland Rail and the broader freight network could be improved in their areas:

#### **Branch lines**

 Several councils called for the upgrade of branch lines to handle 25-tonne axle loads, such as the CRN Network Dubbo to Coonamble line, to ensure inter-operability between the Inland Rail line and key locations, like the Gilgandra GrainCorp site. Some inquiry participants also called for the reopening and upgrading of underutilised branch lines.<sup>41</sup>

#### Roads

- The New England Joint Organisation suggested that the Government upgrade major freight corridors and the corresponding road network so that it is fitfor-purpose to support the Inland Rail project.<sup>42</sup>
- Penrith City Council called for accelerated Government investment in the Castlereagh Connection, which it considered to be particularly important as it would unlock economic opportunities for freight, tourism and agribusiness.<sup>43</sup>

#### Port connectivity

- Several stakeholders stated that improved port connectivity was needed to
  maximise the economic benefits of Inland Rail. For example, NSW Ports and
  the Port of Newcastle submitted that complementary investments in port
  expansions and landside connections are crucial to enhancing supply chain
  logistics and improving the State's overall efficiency and competitiveness.<sup>44</sup>
- 2.7 The NSW Government advised that one of its key priorities is integrating Inland Rail with the broader freight network, to more efficiently move regional produce to international markets via our ports and airports.<sup>45</sup>

<sup>&</sup>lt;sup>39</sup> Ms Rowena Abbey, Chair, Canberra Region Joint Organisation, and Mayor, Yass Valley Council, <u>Transcript of evidence</u>, 7 May 2021, p 10.

<sup>&</sup>lt;sup>40</sup> Submission 27, <u>Bathurst Regional Council</u>, p 1.

<sup>&</sup>lt;sup>41</sup> Submission 2, <u>Lockhart Shire Council</u>, p 1; Submission 15, <u>Gilgandra Shire Council</u>, p 2; Mr John Medcalf, Chair, Central NSW Joint Organisation and Mayor, Lachlan Shire Council; Ms Ruth Fagan, Chair, Regional Development Australia Central West and Councillor, Cowra Council and Ms Jenny Bennett, Executive Officer, Central West Regional Organisation of Councils, <u>Transcript of evidence</u>, 7 May 2021, p 7.

<sup>&</sup>lt;sup>42</sup> Submission 1, New England Joint Organisation, p 2.

<sup>&</sup>lt;sup>43</sup> Submission 8, Penrith City Council, pp 1 - 2.

<sup>&</sup>lt;sup>44</sup> Submission 16, <u>NSW Ports</u>, p 1; Submission 33, <u>Port of Newcastle</u>, p. 13.

<sup>&</sup>lt;sup>45</sup> Submission 45, <u>NSW Government</u>, p 10.

- 2.8 The NSW Government indicated that they are currently reviewing connectivity opportunities and seeking enhanced ARTC and Commonwealth Government support through the Inland Rail Interface Improvement Program for delivery of infrastructure at key locations.
- 2.9 The Government also noted improvements to rail freight capacity through the Fixing Country Rail and Road programs. 46
- 2.10 The Committee considers that linking regional communities to Inland Rail is of vital importance, especially to those communities not directly situated along the Inland Rail route. Of equal importance is ensuring Inland Rail connects to the broader freight network, most notably the eastern ports, and the Committee notes that this is a priority of the Government.
- 2.11 Inquiry participants made considered suggestions as to where and how the freight network could be upgraded and how effective connections between the freight network and the Inland Rail route could be established. The Committee recommends that the Government give consideration to the suggestions made to this inquiry and proceed with a business case to explore upgrades to the existing freight network.

#### Safety concerns

Grade separation of road and rail interfaces

#### **Recommendation 3**

The Committee recommends that the NSW Government continues to work with the Federal Government to prioritise the grade separation of state and regional roads.

#### **Recommendation 4**

The Committee recommends that the NSW Government provide support to local government to facilitate activated crossings with local roads and improved rail and road safety.

- 2.12 Grade separation is a method of aligning a junction at which railway tracks and roads cross using an underpass or overpass so that they do not disrupt the rail and traffic flow when they cross each other. According to the NSW Government, grade separation between Inland Rail and classified road interfaces will assist in achieving improved road safety outcomes, as well as providing freight efficiency gains.<sup>47</sup>
- 2.13 The need for prioritising grade separation along the Inland Rail corridor was raised by several inquiry participants. Central NSW Joint Organisation and Regional Development Australia Central West noted that the Inland Rail project must encompass improved grade separation for regional areas like Forbes.

<sup>&</sup>lt;sup>46</sup> Submission 45, <u>NSW Government</u>, p 10; Mr Alistair Lunn, Regional Director West, Transport for NSW, <u>Transcript of evidence</u>, 7 May 2021, p 35.

<sup>&</sup>lt;sup>47</sup> Submission 45, <u>NSW Government</u>, p 12.

It would be a travesty if the economic value of Inland Rail comes at the expense of the economic prosperity of any rural town but most particularly Forbes where the road rail interfaces in the town are both a safety concern and will have roads closed for unacceptably long periods of times as the trains traverse the town. <sup>48</sup>

- 2.14 Moree Plains Shire Council similarly submitted that, in order to benefit regional communities, the Inland Rail project must be supported by connecting infrastructure to the rail and associated intermodal hubs that does not compromise the safety and livelihoods of local residents. 49
- Gilgandra Shire Council commented that Hargraves Lane, which links the Newell Highway and Oxley Highway, and which provides a critical link via Federation Street to the Castlereagh Highway, would be a critical thoroughfare for freight movements during the Inland Rail construction phase. The Council requested that the upgrade of this road and intersections be made a priority, and that resources be made available to enable the Council to undertake the necessary planning and design work. The Council also requested that the level crossings on the Oxley Highway west of Gilgandra and the Castlereagh Highway north of Gilgandra at Curban be grade separated for the safety of the community and to prevent significant delays to heavy vehicle movements caused by stopping at the existing interfaces to allow freight trains to pass. <sup>50</sup>
- 2.16 Coonamble Shire Council also commented that it had concerns about where the Inland Rail route is proposed to cross the Castlereagh Highway at Curban. The Council stressed the need for a raised crossing to preserve the Highway's effectiveness as a medical and commercial lifeline. 51

#### Government funding for grade separation

- 2.17 The Committee was advised that there are 22 remaining classified road interfaces with Inland Rail in NSW at level crossings and the NSW Government is working with the ARTC and the Federal Government on this issue. 52
- 2.18 The NSW Government's position is that new interfaces with State and Regional Classified Roads are to be grade separated and existing interfaces are to be assessed by an agreed model determining treatment.<sup>53</sup>
- 2.19 When asked whether the Government's policy for grade separation also applied to local roads, Transport for NSW indicated that the local road network is managed, maintained and operated by local government. However, the cost of installing boom gates within the Inland Rail corridor was a matter for the NSW

<sup>&</sup>lt;sup>48</sup> Submission 24, Central West Joint Organisation and Regional Development Australia Central West, p 4.

<sup>&</sup>lt;sup>49</sup> Submission 19, Moree Plains Shire Council, p 2.

<sup>&</sup>lt;sup>50</sup> Submission 15, Gilgandra Shire Council, pp 6 and 12.

<sup>&</sup>lt;sup>51</sup> Ms Pip Goldsmith, Manager, Economic Development and Growth, Coonamble Shire Council, <u>Transcript of evidence</u>, 13 September 2021, p 12.

<sup>&</sup>lt;sup>52</sup> Submission 45, <u>NSW Government</u>, p 12; Mr Alistair Lunn, Regional Director West, Transport for NSW, <u>Transcript</u> of evidence, 7 May 2021 p 39.

<sup>&</sup>lt;sup>53</sup> Submission 45, <u>NSW Government</u>, p 12; Mr Alistair Lunn, Regional Director West, Transport for NSW, <u>Transcript of evidence</u>, 7 May 2021 p 39.

Government and ARTC, but interfaces would be prioritised as considered appropriate by the local government and ARTC.<sup>54</sup>

2.20 The Committee considers that grade separation will achieve improved safety and greater efficiencies with freight and traffic movement. The Committee notes that the NSW Government is working with the ARTC and the Federal Government on grade separation and the Committee recommends this continues as a priority. The Committee also recommends that the NSW Government provide support to local governments to facilitate improved rail and road safety for local roads.

#### **Level crossings**

- The Committee also heard evidence from inquiry participants about level crossings and private crossings.
- 2.22 Level crossings provide safe crossing for vehicular traffic and pedestrians where a rail line and road meet. The track is embedded in the road surface and the crossing is controlled by either 'active' traffic protection devices (e.g. flashing lights, bells or other audible devices, and barriers and gates, which are activated during the passage of a train), or by 'passive' controls, which rely on the user detecting the approach of a train. There are also unprotected level crossings and these are usually located on private land. <sup>55</sup>
- 2.23 There are more than 3,800 level crossings in NSW, with more than 1,360 of them being located on public roads. The NSW Government's Level Crossing Improvement Program (LCIP) funds a range of level crossing safety initiatives to improve and maintain safety at level crossings. For example, from July 2003 to 30 June 2020 road and rail agencies spent \$360 million on level crossing safety initiatives, more than \$113 million of which was provided through Transport for NSW. 56
- In its submission Gilgandra Shire Council noted that the Inland Rail project would create a large number of level crossings in the region's rural road network, creating a safety hazard.<sup>57</sup>
- 2.25 The Freight on Rail Group advised that safety at level crossings was a significant issue for the organisation, and that it was preferable to separate rail and road networks, wherever possible.<sup>58</sup>

#### Private level crossings

2.26 The NSW Government advised the Committee that, as a direct result of the Inland Rail project, private level crossings in NSW were in the process of being rationalised. Transport for NSW, in agreement with landowners and the ARTC, were working to close underutilised crossings. For example, as part of the Parkes

<sup>&</sup>lt;sup>54</sup> Mr Alistair Lunn, Regional Director West, Transport for NSW, <u>Transcript of evidence</u>, Friday, 7 May 2021 p 40.

<sup>&</sup>lt;sup>55</sup> Office of the National Rail and Safety Regulator, ONRSR Policy Level Crossings, p 6, viewed 8 October 2021.

<sup>&</sup>lt;sup>56</sup> NSW Government, Transport for NSW, <u>Level Crossing Strategy Council Strategic Plan 2021-2030</u>, p 5, viewed 8 October 2021.

<sup>&</sup>lt;sup>57</sup> Submission 15, Gilgandra Sire Council, p 20.

<sup>&</sup>lt;sup>58</sup> Mr Andrew Huckel, Secretariat Representative, Freight on Rail Group and Head of Government Relations and External Affairs, Pacific National, <u>Transcript of evidence</u>, 7 May 2021, p 20.

to Narromine section of the project, 14 private level crossings and one public level crossing were closed.<sup>59</sup>

#### **Fencing**

- The Committee also heard evidence from inquiry participants concerning fencing to be erected along the Inland Rail corridor.
- 2.28 According to the ARTC, as part of their commitment to protect public safety and ensure secure property boundaries for landowners, new fencing would be installed along the Inland Rail corridor in some areas and existing fencing replaced in others during the project construction phase. The ARTC's fencing standards sought to align with general fencing standards in each district, unless there are specific circumstances that require alternate solutions. Where required, the replacement of fencing and gates will be on a like-for-like basis. Where new fencing is required, ARTC would consult with adjacent landowners during the detailed design phase to confirm fencing requirements. The ARTC would also be responsible for the ongoing maintenance of rail corridor fencing once each section of the Inland Rail route was operational.<sup>60</sup>
- 2.29 However, several inquiry participants expressed concern about the standard of the ARTC's proposed fencing and the lack of consultation by the ARTC about farmers' requirements.<sup>61</sup>
- 2.30 Questions concerning fencing standards were put to Transport for NSW, in particular whether there was a standard plan for fences along the Inland Rail route. Transport for NSW indicated that:

...typically on infrastructure projects we would work with the landholders to ensure that the fencing that we were proposing was in line with the typical fencing on their property. So obviously they would need to work to that. That is my assumption and that is what we would do. We would expect under our acquisition process that they would work with the landholder to assess what is required of that paddock and therefore put the appropriate fencing in place. <sup>62</sup>

#### Flood plain management

- 2.31 Several individual stakeholders expressed concern that the proposed Inland Rail route passes through known flood plains, and that the ARTC's modelling and planned flood mitigation infrastructure was flawed.<sup>63</sup>
- 2.32 These views were also expressed by the Country Women's Association and NSW Farmers, who said that many of their members had concerns about the adequacy of the approach to impact mitigation and whether the proposed design and location of the culverts would be able to manage the anticipated volumes and

<sup>&</sup>lt;sup>59</sup> Submission 45, NSW Government, p 12.

<sup>&</sup>lt;sup>60</sup> ARTC, Inland Rail, Managing Rail Corridor Fencing Fact Sheet, viewed 8 October 2021.

<sup>&</sup>lt;sup>61</sup> See: Submission 11, <u>Mr David Carter</u>, p 3; Ms Danica Leys, Chief Executive Officer, Country Women's Association of NSW, <u>Transcript of evidence</u>, 7 May 2021, pp 23 and 25.

<sup>&</sup>lt;sup>62</sup> Mr Alistair Lunn, Regional Director West, Transport for NSW, <u>Transcript of evidence</u>, 7 May 2021, p 37.

<sup>&</sup>lt;sup>63</sup> See: Submission 17, <u>Brad and Katie Cox</u>; Submission 31, <u>Jennifer Knop</u>; Submission 34, <u>Alan Channell;</u> Submission37, <u>Andrew Knop</u>; Submission 38, <u>Maxine Finlay</u>; Submission 39, <u>Lewis Lydon</u>.

- velocities of flows. The organisations also expressed their concerns about the potential impact of erosion and on water resources. <sup>64</sup>
- 2.33 The submission added that there were also considerable risks to people and property should the construction of the Narromine to Narrabri project (N2N project) result in the township of Narrabri being impacted by flood events.

  Lockhart Shire Council expressed a similar view about the risk to the town of Lockhart.<sup>65</sup>
- 2.34 Gilgandra Shire Council stated that it was also concerned about the hydrology implications of putting a levee bank through the heart of agricultural land and the impact of interrupting overland water flows on agricultural businesses, particularly on those farms who do not have bores and rely on rainfall.<sup>66</sup>
- 2.35 The NSW Government addressed flood plain management in its submission, noting that it was working with the ARTC to resolve issues along some sections of the Inland Rail route (e.g. the Narrabri to North Star and North Star to Border sections) where the route crosses the Border Rivers and Gwydir floodplains and there are risks altering flood behaviour.<sup>67</sup>
- 2.36 When asked by the Committee who was responsible for addressing issues if any of the ARTC's floodplain assessments were incorrect, Transport for NSW responded that, if the problems related to a grade separation project that it had undertaken, then Transport for NSW was responsible. If, on the other hand, the issue was a direct consequence of the Inland Rail project, then the ARTC was responsible. 68
- 2.37 The Committee also asked the Government whether conditions could be imposed on the ARTC during the Environmental Impact Assessment process to ensure that impacts were monitored and problems rectified. The Department of Planning, Industry and Environment (DPIE) indicated that conditions could be imposed during the detailed design phase to require further consideration of a projects' impacts. <sup>69</sup>
- 2.38 The Committee also asked DPIE how the Government could protect communities that might be affected due to the ARTC underestimating the hydrology, environmental and noise impacts of the Inland Rail project. DPIE responded that it can engage its own independent experts to evaluate any issues identified during an environmental impact statement (EIS) process that needs further assessment.
- 2.39 DPIE advised the Committee that it undertakes its assessment, post approval and compliance roles with a high level of professionalism to ensure that the environmental impacts of a project are acceptable. DPIE also stated that its

<sup>&</sup>lt;sup>64</sup> Submission 43, <u>Country Women's Association NSW and NSW Farmers Association</u>, pp 6, 8 & Appendix.

<sup>&</sup>lt;sup>65</sup> Submission 43, <u>Country Women's Association NSW and NSW Farmers Association</u>, pp 11, 15 and 17; Submission

<sup>2,</sup> Lockhart Shire Council, p 5.

<sup>&</sup>lt;sup>66</sup> Submission 15, Gilgandra Shire Council, p 22.

<sup>&</sup>lt;sup>67</sup> Submission 45, NSW Government, p 15.

<sup>&</sup>lt;sup>68</sup> Answers to Question on Notice, Transport for NSW, 9 June 2021, Question 2.

<sup>&</sup>lt;sup>69</sup> Answers to Questions on Notice, NSW Department of Planning, Industry and Environment, 2 June 2021.

assessments involve community engagement and take into account community concerns. DPIE did, however, note that projects cannot be delivered with zero impacts, and that residual impacts need to be managed, mitigated or offset.<sup>70</sup>

- 2.40 In terms of the Inland Rail project, DPIE indicated that it had listened to community concerns about potential flooding impacts and responded to them by:
  - requiring the ARTC to prepare a Preferred Infrastructure Report to address
     EIS deficiencies
  - · engaging an independent flooding expert
  - establishing a Hydrology Working Group to consider flooding impacts throughout the assessment process.<sup>71</sup>
- 2.41 Similar concerns regarding floodplain management were expressed to the Senate Standing Committee on Rural and Regional Affairs and Transport's (the Senate Standing Committee) recent inquiry into the management of the Inland Rail project. Their report noted that, in June 2020, the Australian and Queensland governments announced the formation of an independent international panel of expert hydrologist and engineers to review the 21 flood models previously developed for Inland Rail's crossing of Queensland's floodplains. The report recommended that ARTC should address all issues identified by the Queensland flood panel's findings and ensure that all modelling and design issues identified are rectified as a matter of priority. The Committee also recommended that any lessons learnt from the Queensland independent flood panel's findings are used to inform all floodplain modelling across the entire Inland Rail project.<sup>72</sup>
- The Senate Standing Committee also questioned why a similar offer was not made for NSW, particularly as the Queensland panel had empowered local communities, improved transparency, strengthened the EIS process, and provided an additional oversight measure to ensure Inland Rail's modelling, design and construction was enhanced.
- 2.43 They believe that these oversight measures were vital to ensure flooding is not exacerbated by Inland Rail and recommended that the Australian and NSW governments also establish an independent international flood and hydrologist panel to conduct a review of the flood modelling and design features of the Inland Rail project in NSW.<sup>73</sup>

<sup>&</sup>lt;sup>70</sup> Answers to Questions on Notice, NSW Department of Planning, Industry and Environment, 2 June 2021.

<sup>&</sup>lt;sup>71</sup> Answers to Questions on Notice, NSW Department of Planning, Industry and Environment, 2 June 2021.

<sup>&</sup>lt;sup>72</sup> Senate Standing Committees On Rural And Regional Affairs And Transport, *Management Of The Inland Rail Project By The Australian Rail Track Corporation And The Commonwealth Government Inland Rail: derailed from the start*<sub>2</sub> Chapter 5 Inland Rail alignment and key concerns - Queensland, Recommendations 21 and 22.

<sup>&</sup>lt;sup>73</sup> Senate Standing Committees On Rural And Regional Affairs And Transport, *Management Of The Inland Rail Project By The Australian Rail Track Corporation And The Commonwealth Government Inland Rail: derailed from the start*, Chapter 6 Inland Rail alignment and key concerns - NSW & Victoria, Recommendation 25.

#### Intermodal terminals and surrounding infrastructure

#### **Recommendation 5**

The Committee recommends that the NSW Government investigate additional locations along the Inland Rail route for intermodal terminals and ensure that surrounding infrastructure can support freight movement.

- 2.44 An intermodal terminal is a facility along the supply chain that provides for the transfer of freight from one transport mode to another. Facilities may range from transfer points that provide a limited set of services, to purpose-built terminals or hubs, designed for transfers, storage, distribution and associated services. <sup>74</sup>
- 2.45 According to a report prepared for the Department of Infrastructure and Regional Development by PricewaterhouseCoopers Consulting (Australia) Pty Limited, intermodal terminals are critical to the rail-based supply chain because they provide the connecting interface point between the rail network and customerfacing operations. Effective terminal operations and sufficient capacity are essential building blocks for the overall competiveness of rail-based supply chains.<sup>75</sup>
- 2.46 There are existing private sector intermodal terminals supporting regional supply chains at Ettamogah, Harefield (south of Junee), Parkes and Moree. Terminals are planned for development along the Inland Rail route at Moree and Narrabri. 76
- 2.47 The NSW Government told the Committee that while it does not have a role in operating intermodal terminals or freight services, it can play a role in identifying, protecting and zoning land for intermodal terminals and assisting with necessary road and rail link extensions.<sup>77</sup>
- 2.48 Several inquiry participants commented on the importance of efficient intermodal connections and supporting infrastructure in their areas.
- 2.49 Roads Australia submitted that Inland Rail offered the potential for regional communities to benefit from the establishment of intermodal terminals at strategic locations along the route, as well as the upgrade of adjacent freight infrastructure to promote more efficient freight connections. The organisation added that it was important to ensure that intermodal terminals are located at sites of maximum strategic impact, with a particular focus on integration with existing road, rail and port infrastructure.<sup>78</sup>
- 2.50 Liverpool City Council noted that the development of intermodal terminals which facilitate connectivity to the Western Sydney Aerotropolis and the new Western

<sup>&</sup>lt;sup>74</sup> House of Representatives Standing Committee on Committee on Transport and Regional Services, Inquiry into the Integration of regional rail and road networks and their interface with ports, The Great Freight Task: Is Australia's transport network up to the challenge, Chapter 6

<sup>&</sup>lt;sup>75</sup> Department of Infrastructure and Regional Development, <u>Future of Intermodal Terminals</u>, May 2017, Executive Summary and p 11, viewed 8 October 2021.

<sup>&</sup>lt;sup>76</sup> Australian Government, Department of Infrastructure, Transport, Regional Development and Communications, Inland Rail, <u>Intermodal Terminals in Regional Centres</u>.

<sup>&</sup>lt;sup>77</sup> Submission 45, <u>NSW Government</u>, p 10.

<sup>&</sup>lt;sup>78</sup> Submission 20, <u>Roads Australia</u>, p 3.

Sydney International (Nancy Bird Walton) Airport from the Inland Rail route will be necessary to provide for seamless freight movements throughout the region.<sup>79</sup>

- 2.51 The Freight on Rail Group stated that intermodal terminals at Parkes, Moorebank Logistics Park (south-western Sydney) and St Marys Freight Hub (western Sydney) are important as 'hubbing' locations and zones that facilitate interaction between heavy vehicles and rail freight operations. The organisation suggested that there is potential for more terminals and their consequential benefits along the Inland Rail route.<sup>80</sup>
- 2.52 NSW Farmers added that more intermodal facilities were needed around Gilgandra, Coonamble and Walgett, which were half way between the precincts of Dubbo, Narromine and Narrabri. 81
- 2.53 The Senate Standing Committee also examined intermodal facilities in its inquiry. The Senate Standing Committee found that it is vital that Inland Rail is supported by strategically located intermodal facilities that capitalise on and support the economies of rural, regional and urban communities. As a result the Senate Standing Committee recommended that the Australian Government support state and local government's efforts to prioritise and expedite planning approvals for intermodal terminals.<sup>82</sup>
- 2.54 In order to fully benefit regional communities, the Committee considers there must be connections to Inland Rail, and intermodal terminals form a part of this network. Therefore, the Committee recommends that the Government consider additional locations for intermodal terminals along the Inland Rail route. The Committee also notes that it is essential for the road and rail infrastructure around intermodal terminals to be of a sufficient standard to support efficient freight movement.

#### **Community infrastructure support**

#### Finding 5

The Committee finds that the Inland Rail project has potential to impact on housing demand and associated infrastructure and that the NSW Government can support this by facilitating planning approvals.

#### **Recommendation 6**

The Committee recommends that the NSW Government work with the Commonwealth Government to ensure that civil engineering projects for

<sup>&</sup>lt;sup>79</sup> Submission 10, <u>Liverpool City Council</u>, p 1.

<sup>&</sup>lt;sup>80</sup> Mr Andrew Huckel, Secretariat Representative, Freight on Rail Group, and Head of Government Relations and External Affairs, Pacific National, <u>Transcript of evidence</u>, 7 May 2021, p 15.

<sup>&</sup>lt;sup>81</sup> Mr Adrian Lyons, Chair, NSW Farmers Inland Rail Taskforce, NSW Farmers Association, <u>Transcript of evidence</u>, 7 May 2021, p 29.

<sup>&</sup>lt;sup>82</sup> Senate Standing Committees On Rural And Regional Affairs And Transport, *Management Of The Inland Rail Project By The Australian Rail Track Corporation And The Commonwealth Government Inland Rail: derailed from the start*, Chapter 3, Port and intermodal connectivity, paragraph 3.93 and Recommendation 15.

## townships associated with the Inland Rail project are designed and built to offer long standing legacy benefits.

- 2.55 Dubbo Regional Council told the Committee that community infrastructure support in the regions close to the Inland Rail route is imperative to promoting the ongoing growth of those areas. The Council suggested that, while Inland Rail has the potential to attract new residents to the regions, to maintain growing regional populations supports like community infrastructure, entertainment and business growth incentives must be considered.<sup>83</sup>
- 2.56 Business NSW noted that strategic transport intermodals at Moree, Narrabri, Parkes, and Wagga Wagga had been supported by the NSW Government through Special Activation Precincts. However, to realise the potential opportunities along the Inland Rail route, Business NSW suggested that the Government would also need to accommodate neighbouring developments of manufacturing facilities and warehousing by speeding up planning and approvals processes.

#### 2.57 Business NSW further suggested:

There is a chicken-and-egg scenario when government and utilities wait for private development to emerge before committing to supporting infrastructure (such as roads, water and sewerage connections, electricity network connections). However, developers are reluctant to progress with no guarantees about whether (and more importantly, when) that infrastructure will be available. Such enabling infrastructure is a low-regrets measure for the future success building off Inland Rail and should be a priority for council and state governments to commit to in the coming year. <sup>84</sup>

#### The impact of housing shortages in regional areas

- 2.58 During the inquiry the Committee heard that a housing shortage in some regional areas was a constraining factor on growth in those areas, which had the potential to limit the potential benefits of Inland Rail.
- 2.59 Canberra Region Joint Organisation (CRJO) commented that the key to incentivising people to move to regional areas was to provide affordable housing and access to schools and health services. CRJO went on to say that councils have a role to play, as does the State Government, in providing incentives to encourage businesses and factories to relocate to areas such as the Special Activation Precincts.<sup>85</sup>
- 2.60 However, the Committee heard that councils did not have the funds to invest in significant infrastructure like roads, amenities and community services to facilitate the opening up of new housing areas.<sup>86</sup>

<sup>&</sup>lt;sup>83</sup> Submission 9, <u>Dubbo Regional Council</u>, p 3.

<sup>&</sup>lt;sup>84</sup> Submission 21, <u>Business NSW</u>, p 5.

<sup>&</sup>lt;sup>85</sup> Mr John Medcalf, Chair, Central NSW Joint Organisation and Mayor, Lachlan Shire Council; Ms Ruth Fagan, Chair, Regional Development Australia Central West and Councillor, Cowra Council; Ms Jenny Bennett, Executive Officer, Central West Regional Organisation of Councils, <u>Transcript of evidence</u>, 7 May 2021, pp 5-6.

<sup>&</sup>lt;sup>86</sup> Mr John Medcalf, Chair, Central NSW Joint Organisation and Mayor, Lachlan Shire Council; Ms Ruth Fagan, Chair, Regional Development Australia Central West and Councillor, Cowra Council; Ms Jenny Bennett, Executive Officer, Central West Regional Organisation of Councils, <u>Transcript of evidence</u>, 7 May 2021, p 6.

2.61 The Committee notes that the NSW Government has recognised that there is a housing shortage in some rural and regional areas and that it has established a Regional Housing Taskforce to identify challenges in the planning system preventing the delivery of housing supply, and to formulate recommendations to improve housing outcomes in regional NSW.<sup>87</sup>

<sup>&</sup>lt;sup>87</sup> Local Government NSW, <u>Regional Housing Taskforce to pinpoint planning challenges</u>, viewed 8 October 2021.

### Chapter Three – Coordination

#### Inland Rail central contact and strategy for New South Wales

#### Recommendation 7

That the NSW Government facilitate a central point of contact and coordination for Inland Rail related projects.

#### **Recommendation 8**

That the NSW Government develop an Inland Rail strategy to provide clear policy objectives for New South Wales.

- 3.1 With the many opportunities that Inland Rail presents there could be merit in facilitating a central point of contact, such as a taskforce or lead agency, to coordinate opportunities and communicate the progress of Inland Rail related projects. This central point of contact could also be responsible for developing an Inland Rail strategy.
- In its submission Gilgandra Shire Council recommend that an Inland Rail taskforce be established to focus and coordinate discussions with communities along the route. The Council also highlighted the need to develop a specific Inland Rail strategy that complements existing State plans. They referred to the NSW Freight and Ports Plan 2018-2023 and noted that at the time that plan was developed there was a high degree of uncertainty about aspects of the Inland Rail project. For example, while the plan only refers to Parkes, since that time there have been four extra SAPs developed and other projects announced. A specific Inland Rail strategy could address these new projects and guide future development. 88
- Infrastructure Partnerships Australia also commented on the desirability of clear policy measures in place around the project. The organisation submitted that having clear policy objectives is important to ensure local businesses and communities have the time and capacity to adapt to the opportunities Inland Rail brings, and to make any related investments or commercial changes with confidence.<sup>89</sup>
- 3.4 Business NSW also raised the need for more information about how Inland Rail will be operated:

Feedback from our members indicates that businesses have mixed views of the enduring benefits from Inland Rail. One of the obstacles is a continued lack of clarity over how the line will operate. Questions about how many trains will stop at which locations, with what degree of frequency, and with what journey times to major ports, remain unknown at present.<sup>90</sup>

<sup>&</sup>lt;sup>88</sup> Submission 15, Gilgandra Shire Council, pp 3 and 14.

<sup>&</sup>lt;sup>89</sup> Submission 22, <u>Infrastructure Partnerships Australia</u>, p 2.

<sup>&</sup>lt;sup>90</sup> Submission 21, <u>Business NSW</u>, p 2.

3.5 In light of these comments, the Committee recommends the development of an Inland Rail strategy that provides much needed clarity and information on the delivery of Inland Rail and related projects.

# Chapter Four – Inland Rail alignment and engagement

#### **Community concerns**

4.1 The Committee received a number of submissions from communities along the Inland Rail route expressing concerns with the project. While not exclusive, many concerns were focused on the Narromine to Narrabri project (N2N project), which is the largest section of new track. 91

#### Narromine to Narrabri project

- 4.2 The N2N project is the preferred route for Inland Rail between Narromine and Narrabri. It is 306km of new track and runs via Burroway, Curban, Mt Tenandra and Baradine. 92
- 4.3 The N2N project is currently undergoing an assessment process. The Australian Rail Track Corporation (ARTC) has lodged an application for State Significant Infrastructure with the NSW Department of Planning, Industry and the Environment (DPIE). As part of this process, between 8 December 2020 and 7 February 2021 an environmental impact statement (EIS) was on public exhibition and submissions in response to the EIS invited. As at the time of preparing this report, the assessment process is ongoing. Submissions have been collated and DPIE has requested a response from ARTC to the submissions received.<sup>93</sup>

#### Alignment

#### Finding 6

The Committee found significant concern in a number of regional communities over the current proposed route, in particular the Narromine to Narrabri section.

- 4.4 One issue raised by inquiry participants to this inquiry concerned the rationale for the preferred route of the N2N project over other route options, such as the existing Dubbo to Coonamble rail corridor.
- 4.5 Some participants doubted the positive economic impact of the preferred route for their communities and queried whether an accurate cost-benefit analysis for the preferred route had been undertaken. Coonamble Shire Council indicated that community sentiment was that decision-making had not been justified or transparent. Ms Pip Goldsmith stated:

<sup>&</sup>lt;sup>91</sup> See: Submission 17, <u>Brad and Katie Cox;</u> Submission 18, <u>Sonya Marshall</u>; Submission 29, <u>David and Karen McBurnie</u>; Submission 30, <u>Ms Susan Wilson</u>; Submission 31, <u>Jennifer Knop</u>; Submission 32, <u>Barbara Deans</u>; Submission 34, <u>Alan Channell</u>; Submission 35, <u>Helen Hunt</u>; Submission 36, <u>Robert and Rosemary Webb</u>; Submission37, <u>Andrew Knop</u>; Submission 39, <u>Lewis Lydon</u>; Submission 41, <u>Paul and Wanda Galley</u>; Submission 43, <u>Country Women's Association of NSW and NSW Farmers Association</u>.

<sup>&</sup>lt;sup>92</sup> Australian Rail Track Corporation, Narromine to Narrabri project, viewed 19 October 2021

<sup>&</sup>lt;sup>93</sup> NSW Department of Planning, Industry and Environment, NSW Planning Portal, viewed 19 October 2021.

When residents of Coonamble see that extensive greenfield development has been chosen rather than using existing rail corridors, there are concerns about why that has been done. That has never been really justified because there has never been an investigation into the benefits of using those existing rail corridors, which has numerous benefits in itself, including less land acquisition, less impact to agricultural land already in use.<sup>94</sup>

- In a joint submission to this inquiry, the Country Women's Association and the NSW Farmers conveyed similar frustrations on behalf of their members. While they submitted that both organisations are supportive of an Inland Rail route linking Melbourne to Brisbane; 'there are too many uncertainties and unanswered questions for this support to be considered unequivocal.'
- 4.7 In referring to not only the N2N project but other greenfield sections along the proposed Inland Rail route, Mr Adrian Lyons from the NSW Farmers Association commented:

Our members are very concerned that the decisions about the route in New South Wales have not been based on reliable data and have not adequately taken into account community input and localised data about the social, economic and environmental impacts of the major infrastructure project.<sup>96</sup>

- The Inland Rail route, in particular the business case supporting the current alignment, was discussed in the recent report of the Senate Standing Committee on Rural and Regional Affairs (the Senate Standing Committee) into the management of the Inland Rail project by the Australian Rail Track Corporation and the Commonwealth Government.<sup>97</sup>
- 4.9 The Senate Standing Committee noted that, while they are generally supportive of the Inland Rail project, the Committee had concerns that the economic benefit along the proposed alignment may not be fully realised. 98
- 4.10 Referring particularly to the N2N project, the Senate Standing Committee recommended that the Australian Government establish an independent comparative review of the current N2N alignment with the proposed Dubbo to Coonamble line. The review should take into account the impacts and potential broader economic benefits for regional economies and communities.<sup>99</sup>

<sup>&</sup>lt;sup>94</sup> Ms Pip Goldsmith, Manager, Economic Development and Growth, Coonamble Shire Council, <u>Transcript of evidence</u>, 13 September 2021, p 10

<sup>&</sup>lt;sup>95</sup> Submission 43, <u>Country Women's Association and NSW Farmers Association</u>, p 1.

<sup>&</sup>lt;sup>96</sup> Mr Adrian Lyons, Chair, NSW Farmers Inland Rail Taskforce, NSW Farmers Association, <u>Transcript of evidence</u>, 7 May 2021, p 23.

<sup>&</sup>lt;sup>97</sup> Senate Standing Committee on Rural and Regional Affairs and Transport, <u>Inland Rail: Derailed form the start</u>, August 2021.

<sup>&</sup>lt;sup>98</sup> Senate Standing Committee on Rural and Regional Affairs and Transport, <u>Inland Rail: Derailed form the start</u>, August 2021 at [2.55] and [2.57].

<sup>&</sup>lt;sup>99</sup> Senate Standing Committee on Rural and Regional Affairs and Transport, <u>Inland Rail: Derailed form the start</u>, August 2021, Recommendation 26 at [6.69].

- 4.11 The Committee thanks all participants who provided a submission to this inquiry, who met and shared their concerns with Committee members, and who appeared before the Committee at its public hearings.
- 4.12 The Committee is unable to make or alter decisions about the Inland Rail route. However, the Committee acknowledges the frustrations and concerns raised. In relation to the N2N project, the Committee notes the current assessment process being conducted by DPIE and respectfully considers that process to be the appropriate forum to assess some of the issues raised.
- 4.13 The Committee also refers to the recent report of the Senate Standing Committee into the management of the Inland Rail project. The Committee notes that the Senate Standing Committee made 26 recommendations directed at the ARTC, the Federal Government and state governments, many of which are relevant to the issues raised in this inquiry. The Committee notes and supports the recommendations made in the Senate Standing Committee report.
- At various stages during this inquiry the Committee invited the ARTC to participate to provide clarification and information on the issues raised. The Committee invited the ARTC to make a submission and to appear at a public hearing. The Committee also sent a number of questions to the ARTC and sought a response. The response received from the ARTC is published on the Committee's website.

#### Engagement

#### Finding 7

The Committee found that a number of stakeholders were dissatisfied with the Australian Rail Track Corporation's consultation process.

#### **Recommendation 9**

The Committee recommends that the NSW Government develop an engagement strategy that details its clear expectations in relation to communication and consultation between proponents and stakeholders for State-significant infrastructure projects in NSW, such as the Inland Rail project.

#### **Recommendation 10**

The Committee recommends that the NSW Government respond to the findings and recommendations of the Senate Standing Committee on Rural and Regional Affairs that pertain to the NSW Government.

4.15 Another concern raised by stakeholders, particularly along the proposed N2N project, was the lack of effective engagement and consultation by the ARTC. 100

<sup>&</sup>lt;sup>100</sup> See: Submission 17, <u>Brad and Katie Cox</u>; Submission 18, <u>Sonya Marshall</u>; Submission 29, <u>David and Karen McBurnie</u>; Submission 30, <u>Ms Susan Wilson</u>; Submission 31, <u>Jennifer Knop</u>; Submission 32, <u>Barbara Deans</u>; Submission 34, <u>Alan Channell</u>; Submission 35, <u>Helen Hunt</u>; Submission 36, <u>Robert and Rosemary Webb</u>; Submission37, <u>Andrew Knop</u>; Submission 39, <u>Lewis Lydon</u>; Submission 41, <u>Paul and Wanda Galley</u>; Submission 43, <u>Country Women's Association of NSW and NSW Farmers Association</u>.

- 4.16 Stakeholders spoke to a lack of transparency and an avoidance by the ARTC to listen to local knowledge or provide documents to support decisions. Ms Danica Leys from the Country Women's Association of NSW described the engagement with ARTC as 'frustrating' and stated there have been many meetings at the organisational and landowner level where ARTC have not answered questions with any specifics. <sup>101</sup>
- 4.17 Similarly, Mr Adrian Lyons from the NSW Farmers Association commented that the ARTC speak in 'platitudes' and do not provide answers to simple questions. Mr Lyons further commented that local knowledge provided to ARTC has been lost and not included in studies. 102
- 4.18 Ms Pip Goldsmith from Coonamble Shire Council commented that the lack of effective engagement has undermined confidence in the project as a whole and resulted in concern that any future potential benefits might not be realised. 103
- 4.19 The engagement and consultation process of the ARTC was a feature in the Senate Standing Committee's report. The Senate Standing Committee reported there were 'significant shortcomings in the ARTC's capacity to meaningfully engage with communities and landholders along the proposed alignment'. 104
- 4.20 The Senate Standing Committee made a number of recommendations aimed at addressing the failures in engagement by the ARTC. Recommendations include:
  - the engagement of a mediator to facilitate an improved working relationship with the Country Women's Association of NSW and the NSW Farmer's Association
  - that the ARTC foster improved local government consultation through regional forums
  - that the ARTC conduct biennial independent reviews of its stakeholder and engagement and consultation processes
  - that the ARTC, in partnership with the Australian and state governments, establish a broader consultation and engagement framework
  - that the ARTC and the Australian Government establish a key industry stakeholder group to formalise ongoing discussions. <sup>105</sup>
- 4.21 The Committee notes the concerns raised with the engagement by the ARTC with stakeholders along the Inland Rail project. The Committee considers there needs

<sup>&</sup>lt;sup>101</sup> Ms Danica Leys, Chief Executive Officer, Country Women's Association of NSW, <u>Transcript of evidence</u>, 7 May 2021, p 23.

<sup>&</sup>lt;sup>102</sup> Mr Adrian Lyons, Chair, NSW Farmers Inland Rail Taskforce, NSW Farmers Association, <u>Transcript of evidence</u>, 7 May 2021, p 24.

<sup>&</sup>lt;sup>103</sup> Ms Pip Goldsmith, Manager, Economic Development and Growth, Coonamble Shire Council, <u>Transcript of evidence</u>, 13 September 2021, p 9.

<sup>&</sup>lt;sup>104</sup> Senate Standing Committee on Rural and Regional Affairs and Transport, <u>Inland Rail: Derailed form the start</u>, August 2021, Recommendations 16, 18, 19 & 20.

<sup>&</sup>lt;sup>105</sup> Senate Standing Committee on Rural and Regional Affairs and Transport, *Inland Rail: Derailed form the start*, August 2021 at [2.55] and [2.57].

to be a focus on ensuring that communities are kept informed and consulted on issues and projects occurring in their areas. To aid in this, the Committee recommends that the NSW Government should set clear expectations in relation to communication and consultation between proponents and stakeholders for State-significant infrastructure projects in NSW. These expectations should be set at the outset and maintained during the project.

#### Flooding and hydrology modelling used

4.22 Significant concerns regarding increased flood risk from Inland Rail were also raised by stakeholders. These issues are discussed in chapter two at paragraphs 2.31 to 2.43, including the recent recommendation by the Senate Standing Committee for the establishment of an independent flood and hydrologist panel to conduct a review of the flood modelling of the Inland Rail project in New South Wales.

## Appendix One – Terms of reference

The Committee on Investment, Industry and Regional Development inquire into and report on the Inland Rail project and regional New South Wales, with particular reference to:

- a) economic development opportunities arising from the project
- b) infrastructure required to ensure regional communities benefit from the project
- c) engagement with regional communities to identify opportunities
- d) alignment of the project with the NSW Freight and Ports Plan 2018-2023 and State Infrastructure Strategy 2018-2038
- e) any other related matters.

# Appendix Two – Conduct of inquiry

#### **Terms of reference**

On 18 November 2020 the Committee resolved to conduct an inquiry into the Inland Rail project and regional New South Wales. The full terms of reference are at Appendix One.

#### **Call for submissions**

The Committee called for submissions and wrote to key stakeholders inviting them to make a submission. A media release was issued and information about the inquiry posted on the Legislative Assembly's social media accounts.

Submissions to the inquiry closed on 5 February 2021. The Committee received 46 submissions from a range of stakeholders including: community members, metropolitan and regional councils, Joint Organisations, advocacy groups and NSW Government departments and agencies. A list of submissions is at Appendix Three and copies of submissions are available on the Committee's webpage.

#### Site Visit

# Visit to Gilgandra, Narromine, Parkes and Wagga Wagga – 26 to 28 April 2021

At its meeting on 17 February 2021, the Committee resolved to visit regional areas along the Inland Rail corridor.

Between Monday 26 April and Wednesday 28 April, the Committee travelled to Gilgandra, Narromine, Parkes and Wagga Wagga to meet with stakeholders and discuss issues raised.

On Tuesday, 27 April 21, the Committee met with members and staff of Gilgandra Shire Council. The Committee then travelled to Curban, Kickabil and Narromine and met with impacted landowners. The Committee then met with representatives from Narromine Shire Council.

The Committee then travelled to Parkes and met with representatives from Parkes Shire Council. The Committee toured the Special Activation Precinct at Parkes and the Pacific National logistics terminal with Council representatives.

The Committee then travelled to West Wyalong where members stayed overnight.

On Wednesday, 28 April 2021, the Committee travelled to Wagga Wagga and met with Mr Col Rees, Chairman and owner of the Colin Rees Group. Mr Rees is the founder and owner of the Ettamogah Rail Hub.

The Committee then toured the Special Activation Precinct at Wagga Wagga with Council representatives before concluding the Committee's regional visit.

The Committee thanks all participants who met and assisted the Committee during its regional visit.

# **Public hearings**

The Committee held two public hearings at Parliament House on 7 May 2021 and 13 September 2021. At the hearing on 7 May 2021, Members and witnesses attended either in person or remotely. At the hearing on 13 September 2021, all Members and witnesses attended remotely.

A list of witnesses who appeared at the hearings is at Appendix Four. Transcripts of evidence taken at the hearings are available on the Committee's <a href="webpage">webpage</a>. The Committee thanks all witnesses who participated in the Committee's hearings.

# Appendix Three – Submissions

No.	Author
1	New England Joint Organisation
2	Lockhart Shire Council
3	Coonamble Shire Council
4	Gunnedah Shire Council
5	Halls Accounting Pty Ltd
6	Queanbeyan-Palerang Regional Council
7	Lake Macquarie City Council
8	Penrith City Council
9	Dubbo Regional Council
10	Liverpool City Council
11	Mr David Carter
12	Blue Mountains City Council
13	Confidential
14	Bayside Council
15	Gilgandra Shire Council
16	NSW Ports
17	Brad and Katie Cox
18	Mrs Sonya Marshall
19	Moree Plains Shire Council
20	Roads Australia
21	Business NSW
22	Infrastructure Partnerships Australia
23	Parkes Shire Council
24	Central NSW Joint Organisation RDA Central West
25	Freight on Rail Group (FORG) of Australia
26	Canberra Region Joint Organisation
27	Bathurst Regional Council
28	North West Protection Advocacy
29	David and Karen McBurnie
30	Ms Susan Wilson
31	Ms Jennifer Knop

No.	Author
32	Ms Barbara Deans
33	Port of Newcastle
34	Mr Alan Channell
35	Ms Helen Hunt
36	Robert and Rosemary Webb
37	Mr Andrew Knop
38	Ms Maxine Finlay
39	Mr Lewis Lydon
40	Confidential
41	Paul and Wanda Galley
42	Name suppressed
43	Country Women's Association NSW and NSW Farmers' Association
44	Australasian Railway Association
45	NSW Government
46	Confidential

# Appendix Four – Witnesses

7 May 2021 Jubilee Room, Parliament House

Witness	Position and Organisation	
Cr John Medcalf, OAM	Chair, Central NSW Joint Organisation and Mayor, Lachlan Shire Council – Central NSW Joint Organisation and RDA Central West	
Cr Ruth Fagan	Chair, Regional Development Australia Central West and Councillor, Cowra Council – Central NSW Joint Organisation and RDA Central West	
Jenny Bennett	Executive Officer, Central NSW Joint Organisation and RDA Central West	
Cr Rowena Abbey	Chair, Canberra Region Joint Organisation and Mayor, YASS Valley Council	
Cr Greg Conkey OAM	Member, Canberra Region Joint Organisation and Mayor, Wagga Wagga City Council	
Kalina Koloff	Chief Executive Officer, Canberra Region Joint Organisation	
Georgia Nicholls	General Manager-Rail Freight, Australasian Railway Association	
Andrew Huckel	Secretariat Representative (FORG) and Head of Government Relations and External Affairs Pacific National, Freight on Rail Group	
Danica Leys	Chief Executive Officer, Country Women's Association of NSW	
Adrian Lyons	Chair, NSW Farmers Inland Rail Taskforce, NSW Farmers' Association	
Erica van den Honert	Executive Director, Infrastructure Assessments, Planning and Assessment, NSW Department of Planning, Industry and Environment	
Alistair Lunn	Regional Director West, Transport for NSW	
Chris Hanger	Deputy Secretary, Department of Regional NSW	

# 13 September 2021 Jubilee Room via Videoconference

Witness	Position and Organisation
Greg Smith	Deputy Mayor, Moree Plains Shire Council
Ahmad Karanouh	Mayor, Coonamble Shire Council
Pip Goldsmith	Manager, Economic Development and Growth, Coonamble Shire Council

# Appendix Five – Extracts from minutes

#### **MINUTES OF MEETING No 16**

11.00 am Wednesday 18 November 2020 Room 1254

# Members present

Mr Justin Clancy (Chair), Ms Steph Cooke, Mr Peter Sidgreaves (Deputy Chair)

#### **Apologies**

Mr Clayton Barr, Mr Phil Donato, Mr David Harris, Mr Geoff Provest

#### Officers in attendance

In room 1254: Elaine Schofield, Emma Wood, Cheryl Samuels.

#### 1. Minutes

Resolved, on the motion of Mr Sidgreaves, seconded Ms Cooke: That the minutes of the meeting of 11 November 2020 be confirmed.

# 2. Potential New Inquiry - The Inland Rail project and regional NSW

The Committee considered the draft terms of reference.

Resolved, on the motion of Ms Cooke, seconded by Mr Sidgreaves: That the Committee conduct an inquiry into the Inland Rail project and regional New South Wales, with particular reference to:

- a) economic development opportunities arising from the project
- b) infrastructure required to ensure regional communities benefit from the project
- c) engagement with regional communities to identify opportunities
- alignment of the project with the NSW Freight and Ports Plan 2018-2023 and State Infrastructure Strategy 2018-2018
- e) any other related matters.

The Committee then considered an indicative inquiry timeline and draft stakeholder list.

Resolved, on the motion of Ms Cooke, seconded by Mr Sidgreaves: That the Committee call for submissions to be received by 5 February 2021 and write to relevant stakeholders.

# 3. \*\*\*

#### 4. Next meeting

The meeting adjourned at 11.10 am until a date and time to be determined.

# **MINUTES OF MEETING No 17**

9.03 am Wednesday 17 February 2021 Room 1254

#### Members present

Mr Justin Clancy (Chair), Ms Steph Cooke, Mr Phil Donato, Mr Geoff Provest, Mr Peter Sidgreaves (Deputy Chair)

#### **Apologies**

Mr Clayton Barr, Mr David Harris

#### Officers in attendance

Elaine Schofield, Emma Wood, Cheryl Samuels, Mohini Mehta

#### 1. Minutes

Resolved, on the motion of Mr Sidgreaves, seconded Mr Provest: That the minutes of the meeting of 11 November 2020 be confirmed.

# 2. Inquiry – support for drought affected communities in New South Wales

# 2.1 Correspondence

The Committee noted correspondence from the Hon John Barilaro MP, received 18 December 2020, providing the NSW Government Response to the Committee's interim report into support for drought affected communities in NSW.

# 2.2 Answers received to questions on notice

Resolved, on the motion of Mr Provest, seconded Ms Cooke: That the Committee publish the answers received to questions on notice from the following agencies:

- Department of Primary Industries
- Centre for Rural and Remote Mental Health
- Mental Health Commission of NSW
- Department of Planning, Industry and Environment

#### 3. Inquiry - Inland Rail project and regional NSW

#### 3.1 Publication of submissions

Resolved, on the motion of Mr Donato, seconded Ms Cooke: That the Committee publish submissions numbered 1-10, 12, 14-16, 19-27 and 33 in full.

# 3.2 Regional site visit

Resolved, on the motion of Mr Provest, seconded by Ms Cooke: That the Committee, subject to funding approval from the Speaker, undertake site visits to either the Port of Newcastle or Port Kembla and to Gilgandra, Parkes and Wagga Wagga in March and April 2021.

#### 4. Next meeting

The meeting adjourned at 9.36 am until a date and time to be determined.

#### **MINUTES OF MEETING No 18**

9.32 am Wednesday 24 March 2021 Room 1254

# Members present

Mr Justin Clancy (Chair), Mr Peter Sidgreaves (Deputy Chair), Ms Steph Cooke, Mr Phil Donato, Mr David Harris, Mr Geoff Provest

# **Apologies**

Mr Clayton Barr

#### Officers in attendance

Elaine Schofield, Emma Wood, Cheryl Samuels, Jacqueline Isles, Mohini Mehta

#### 1. Minutes

Resolved, on the motion of Mr Sidgreaves, seconded Mr Donato: That the minutes of the meeting of 17 February 2021 be confirmed.

# 2. \*\*\*

#### Inquiry – Inquiry into the Inland Rail project and regional NSW

## a) Publication of submissions

Resolved, on the motion of Mr Donato, seconded Mr Sidgreaves:

- That the Committee publish submissions numbered 11, 17-18, 29-32, 34-39, 41-45 in full
- That submission 28 be published with redactions
- That submission 46 be published with name suppressed, and
- That the Committee keep submissions numbered 13 and 40 confidential.

### b) Regional site visit

Ms Cooke joined the meeting.

The Committee discussed the Committee's regional site visit. The Committee agreed to visit Gilgandra, Parkes and Wagga Wagga from 26 to 28 April 2021.

# c) Public hearing date

Resolved, on the motion of Mr Donato, seconded Ms Cooke: That the Committee invite the following witnesses to give evidence at a public hearing to be held on Friday 7 May 2021.

- New England Joint Organisation
- Central NSW Joint Organisation
- Canberra Region Joint Organisation
- NSW Ports
- Port of Newcastle
- Roads Australia
- Freight on Rail Group
- Australasian Railway Association
- Country Women's Association and NSW Farmers
- NSW Government
- Australian Rail Track Corporation

# d) Correspondence

Resolved, on the motion of Mr Provest, seconded Mr Donato: That the Committee write to the Queensland Minister for Transport and Main Roads and the Victorian Minister for Ports and Freight per the draft letters circulated.

The Committee agreed to write to the Minister for Planning and Public Spaces and the Minister for Regional New South Wales, Industry and Trade, advising them that the inquiry received submissions relating to the proposed Inland Rail route.

# 4. \*\*\*

# 5. Next meeting

The meeting adjourned at 10.03 am until a date and time to be determined.

#### **MINUTES OF MEETING No 19**

9.35 am, Friday 7 May 2021 Jubilee Room and via Webex videoconference

# Members present in person

Mr Justin Clancy, Mr Clayton Barr (until 12.15 pm), Mr Phil Donato (until 1.00 pm), Mr David Harris, Mr Geoff Provest

# Members present by Webex

Mr Clayton Barr (from 2.30 pm), Ms Steph Cooke

# 1. Apologies

Mr Sidgreaves, Mr Donato (from 1.00pm)

#### Officers in attendance

Rohan Tyler, Emma Wood, Cheryl Samuels, Ilana Chaffey, Jacqueline Isles

# 2. Confirmation of minutes

Resolved, on the motion of Mr Donato, seconded Mr Harris: That the minutes of the meeting of 24 March 2021 be confirmed.

# 3. \*\*\*

# 4. Inquiry - Inland Rail project and regional New South Wales

# 4.1 Media orders for public hearing

Resolved, on the motion of Mr Harris, seconded Mr Donato: That the Committee authorises the audio-visual recording, photography and broadcasting of the public hearing on 7 May 2021, in accordance with the Legislative Assembly's guidelines for the coverage of proceedings for committees administered by the Legislative Assembly.

#### 4.2 Answers to questions taken on notice and additional questions

Resolved, on the motion of Mr Donato, seconded Mr Provest: That witnesses be requested to return answers to questions taken on notice and additional questions within 2 weeks of the date on which the questions are forwarded to witnesses.

Resolved, on the motion of Mr Provest, seconded Mr Barr: That the procedure for additional questions be as follows:

- Members to submit any additional questions to the secretariat within two days of the date on which the transcript is forwarded to the members.
- The secretariat will circulate all additional questions received to Committee members.
- Members may express concern or objection to any additional questions within one
  working day of distribution of the questions from the secretariat. Any objections that
  cannot be resolved will be deferred until a deliberative meeting of the Committee.

The Chair adjourned the deliberative meeting at 9.37 am.

# 4.3 Public hearing – Inland Rail project and regional New South Wales

The public were admitted in person and via the Parliament's webcast. The Chair opened the public hearing at 9.40 am and made a short opening statement.

At 9.45 am the following witnesses were admitted by videoconference:

Cr. John Medcalf OAM, Chair, Central NSW Joint Organisation was sworn and examined. Ms Jenny Bennett, Executive Officer, Central NSW Joint Organisation was affirmed and examined.

Cr Ruth Fagan, Chair, Regional Development Australia Central West and Councillor, Cowra Council was affirmed and examined.

Crs Medcalf Fagan made opening statements.

The Committee questioned the witnesses. Evidence concluded and the witnesses withdrew.

At 10.25 am the following witnesses were admitted by videoconference:

Cr Rowena Abbey Chair, Canberra Region Joint Organisation and Mayor, Yass Valley Council was affirmed and examined.

Cr Greg Conkey OAM, Member, Canberra Region Joint Organisation and Mayor Wagga Wagga City Council was affirmed and examined.

Ms Kalina Koloff, Chief Executive Officer, Canberra Region Joint Organisation, was affirmed and examined.

Crs Abbey and Conkey made opening statements.

The Committee questioned the witnesses. Evidence concluded and the witnesses withdrew.

The Committee took a short adjournment at 11.10 am and resumed the public hearing at 11.25 am.

At 11.25 am the following witness was admitted in person:

Mr Andrew Huckel, Secretariat Representative, Freight on Rail Group (FORG) and Head of Government Relations and External Affairs Pacific National was affirmed and examined.

At 11.25 am the following witness was admitted by videoconference:

Ms Georgia Nicholls, General Manager – Rail Freight. Australasian Railway Association was affirmed and examined.

Mr Huckel and Ms Nicholls made opening statements.

The Committee questioned the witnesses. Evidence concluded and the witnesses withdrew.

At 12.15 Mr Barr withdrew.

At 12.20 pm the following witnesses were admitted in person:

Ms Danica Leys, Chief Executive Officer, Country Women's Association was sworn and examined.

Mr Adrian Lyons, Chair, NSW Farmers Association Inland Rail Taskforce was sworn and examined.

Ms Leys and Mr Lyons made opening statements.

Ms Leys tabled a copy of an economic analysis prepared by Post Covid Solutions (PCS) on behalf of the NSW Farmers Association and Country Women's Association of NSW as part of their submission in response to the Environmental Impact Statement (EIS) for the Narromine to Narrabri Project (N2N Project) Copies of the document were distributed to Committee Members present at the meeting.

The Committee questioned the witnesses. Evidence concluded and the witnesses withdrew.

At 12.55 pm Mr Donato withdrew. The Committee took a short adjournment and resumed the public hearing at 2.30 pm.

At 2.30 pm the following witnesses were admitted in person:

Mr Chris Hanger, Deputy Secretary, Department of Regional NSW was sworn and examined.

Ms Erica van den Honert, Executive Director Infrastructure Assessments. Planning and Assessment, NSW Department of Planning, Industry and Environment was sworn and examined.

Mr Alistair Lunn, Regional Director West, Transport for NSW was sworn and examined.

The Committee questioned the witnesses. Evidence concluded and the witnesses withdrew.

At 3.35 pm the Chair concluded the public hearing and resumed the deliberative meeting.

# 4. Post-hearing deliberative meeting

Inquiry – Inland Rail and regional New South Wales (cont.)

#### 4.4 Publication orders

Resolved, on the motion of Mr Provest, seconded Mr Harris: That the corrected transcript of public evidence given today be authorised for publication and uploaded on the Committee's website.

# 4.5 Acceptance of documents

Resolved, on the motion of Mr Provest, seconded Mr Harris: That the Committee accept the document provided by the Country Women's Association of NSW. The Committee agreed that its publication could be deferred until the Committee next meets.

# 4.6 Inquiry timeline

The Committee discussed the next steps for the inquiry.

Resolved, on the motion of Mr Provest, seconded Mr Harris: That the Committee conduct a site visit to Port Botany.

Resolved, on the motion of Mr Harris, seconded Mr Provest: That the Committee hold a second public hearing on a date to be determined and invite the Australian Rail Track Corporation (ARTC), Coonamble Shire Council and Moree Shire Council to appear as witnesses.

# 5. Next meeting

The Chair closed the meeting at 3.50 pm until a date and time to be determined.

# **MINUTES OF MEETING No 20**

9.31 am, Tuesday 20 July 2021 Via videoconference

# Members present by videoconference

Mr Justin Clancy MP (Chair), Mr Peter Sidgreaves MP (Deputy Chair), Mr Clayton Barr MP, Ms Steph Cooke MP, Mr Phil Donato MP, Mr David Harris MP, Mr Geoff Provest MP

#### Officers in attendance by videoconference

Elaine Schofield, Emma Wood, Cheryl Samuels, Jacqueline Isles, Mohini Mehta

# 5. Confirmation of minutes

Resolved, on the motion of Mr Provest, seconded Mr Harris: That the minutes of the meeting of 7 May 2021 be confirmed.

# 6. Inquiry - Inland Rail project and regional New South Wales

# 2.1 Correspondence

The Committee noted the following correspondence received:

 Email from Clementine Julian, Government and Stakeholder Relations Advisor, Australian Rail Track Corporation, dated 31 May 2021

# 2.2 Acceptance and publication of tabled document

Resolved on the motion of Mr Barr, seconded Mr Sidgreaves: That the Committee accept and publish on its webpage the following tabled document at the public hearing held on 7 May 2021:

Document tabled by Danica Leys, Chief Executive Officer, Country Women's
 Association of NSW titled Economic analysis – Narromine to Narrabri (N2N) Inland

 Rail Project

# 2.3 Responses received to questions taken on notice

Resolved on the motion of Mr Harris, seconded Mr Barr: That the Committee publish the responses received to question taken on notice at the public hearing on Friday 7 May from the following:

- NSW Department of Planning, Industry and Environment, dated 2 June 2021
- Department of Regional NSW, dated 8 June 2021
- Transport for NSW, dated 9 June 2021

#### 2.4 Questions on notice for Australian Rail Track Corporation

Resolved on the motion of Mr Barr, seconded Mr Harris: That the Committee send questions on notice to the Australian Rail Track Corporation and seek a response by Monday 23 August 2021.

#### 7. Next meeting

The meeting concluded at 9.58am until a date to be determined

## **MINUTES OF MEETING No 21**

9.50 am, Monday 13 September 2021 via videoconference

# Members present

Mr Justin Clancy (Chair), Mr Peter Sidgreaves (Deputy Chair), Mr Clayton Barr, Ms Steph Cooke, Mr David Harris, Mr Geoff Provest,

#### Officers in attendance

Rohan Tyler, Emma Wood, Cheryl Samuels, Jacqueline Isles, Mohini Mehta

# 1. Apologies

Mr Phil Donato

# 2. Confirmation of minutes

Resolved, on the motion of Mr Harris, seconded Mr Barr: That the minutes of the meeting of 20 July 2021 be confirmed.

# 3. Inquiry – Inland Rail project and regional New South Wales

# 3.1 Correspondence

The Committee noted the following correspondence sent and received:

#### Sent:

 Letter to Mr Richard Wankmuller, Chief Executive Officer, Inland Rail, Australian Rail Track Corporation, dated 27 July 2021

#### Received:

Letter received from Rebecca Pickering, Interim Chief Executive Officer, Inland Rail,
 Australian Rail Track Corporation, dated 23 August 2021

The Committee noted the correspondence received from the Australian Rail Track Corporation, dated 23 August 2021.

Discussion ensued.

Resolved, on the motion of Mr Barr, seconded Mr Sidgreaves: That the Committee notes the correspondence received from the Australian Rail Track Corporation, dated 23 August 2021, and defers further consideration of the correspondence to a future meeting.

# 3.2 Media orders for public hearing

Resolved, on the motion of Mr Sidgreaves, seconded Mr Harris: That the Committee authorises the audio-visual recording, photography and broadcasting of the public hearing on 13 September 2021, in accordance with the Legislative Assembly's guidelines for the coverage of proceedings for committees administered by the Legislative Assembly.

# 3.3 Answers to questions taken on notice and additional questions

Resolved, on the motion of Mr Barr, seconded Mr Provest: That witnesses be requested to return answers to questions taken on notice and additional questions within 1 week of the date on which the questions are forwarded to witnesses.

#### 3.4 Public hearing

The Chair opened the public hearing at 10.18 am and made a short opening statement.

At 10.20am Mr Greg Smith, Deputy Mayor, Moree Plains Shire Council, was admitted by videoconference, affirmed and examined.

Mr Smith made an opening statement. The Committee questioned the witness. Evidence concluded and the witness withdrew.

At 11.00 am the following witnesses were admitted by videoconference:

Mr Ahmad Karanouh, Mayor, Coonamble Shire Council, affirmed and examined.

Ms Pip Goldsmith, Manager, Economic Development and Growth, Coonamble Shire Council, affirmed and examined.

Ms Goldsmith made an opening statement. The Committee questioned the witnesses. Evidence concluded and the witnesses withdrew.

At 11.47 am, the Chair concluded the public hearing.

# Post-hearing deliberative meeting

# 3. Inquiry – Inland Rail and regional New South Wales (cont.)

#### 3.5 Publication orders

Resolved, on the motion of Mr Provest, seconded Mr Barr: That the corrected transcript of public evidence given today be authorised for publication and uploaded on the Committee's website.

- 4. \*\*\*
- 5. \*\*\*

# 6. Next meeting

The meeting concluded at 12 noon to a date and time to be determined.

#### **UNCONFIRMED MINUTES OF MEETING No 22**

10.02am, Friday 12 November 2021 Jubilee Room or via videoconference

# Members present

Mr Justin Clancy (Chair), Mr Peter Sidgreaves (Deputy Chair), Mr Clayton Barr (by video conference), Ms Steph Cooke, Mr Philip Donato, Mr David Harris (by video conference), Mr Geoff Provest

#### Officers in attendance

Rohan Tyler, Emma Wood, Cheryl Samuels (by video conference), Anna Tran (by video conference), Mohini Mehta (by video conference)

# 1. Apologies

Nil

## 2. Confirmation of minutes

Resolved, on the motion of Mr Provest, seconded Mr Barr: That the minutes of the meeting of 13 September 2021 be confirmed.

# 3. Inquiry - Inland Rail project and regional NSW

#### a) Correspondence

The Committee noted the following items of correspondence received:

- Email received from Jennifer Knop, Narromine Inland Rail Action Group, to Cessnock Electorate Office
- Letter received from Rebecca Pickering, Interim Chief Executive Officer, Inland Rail, Australian Rail Track Corporation

Resolved, on the motion of Mr Barr, seconded Mr Donato: That the Committee write to the Minister for Planning and Public Spaces to draw the Minister's attention to the issues raised by Ms Knop.

Resolved, on the motion of Mr Sidgreaves, seconded Mr Donato: That the Committee publish the letter from Rebecca Pickering, Interim Chief Executive Officer, Australian Rail Track Corporation, on the Committee's webpage with contact details redacted.

# b) Consideration of Chair's draft report

Resolved, on the motion of Mr Sidgreaves, seconded Mr Donato: That the Committee consider the report chapter by chapter.

Chapter One

Resolved, on the motion of Mr Provest, seconded Mr Donato: That Chapter One stand part of the report.

Chapter Two

Resolved on the motion of Mr Barr, seconded by Mr Donato: That the following new recommendation be inserted after Recommendation 1:

#### **Recommendation 2**

The Committee recommends that Transport for NSW prepare and publish a report of any potential rail assets that would be stranded as a consequence of the Inland Rail project. Furthermore, that this report outlines any costs and proposed treatments associated with any such stranded assets.

Resolved on the motion of Mr Barr, seconded by Mr Provest: That the following new recommendation be inserted after Finding 5:

# **Recommendation 6**

The Committee recommends that the NSW Government work with the Commonwealth Government to ensure that civil engineering projects for townships associated with the Inland Rail project are designed and built to offer long standing legacy benefits.

Resolved on the motion of Mr Sidgreaves, seconded Mr Barr: That Chapter Two, as amended, stand part of the report.

Chapter Three

Resolved on the motion of Mr Barr, seconded Mr Donato: That Chapter Three stand part of the report.

Chapter Four

Resolved on the motion of Mr Barr, seconded Mr Donato: That the following new finding be inserted before paragraph 4.4:

# Finding 6

The Committee found significant concern in a number of regional communities over the current proposed route, in particular the Narromine to Narrabri section.

Resolved on the motion of Mr Barr, seconded Mr Donato: That the following new finding be inserted before Recommendation 9:

# Finding 7

The Committee found that a number of stakeholders were dissatisfied with the Australian Rail Track Corporation's consultation process.

Resolved on the motion of Mr Barr, seconded Ms Cooke: That the following new recommendation be inserted after Recommendation 9:

#### **Recommendation 10**

The Committee recommends that the NSW Government respond to the findings and recommendations of the Senate Standing Committee on Rural and Regional Affairs that pertain to the NSW Government.

Resolved on the motion of Mr Harris, seconded Ms Cooke: That paragraph 4.14 be amended by inserting the following sentence at the end of the paragraph:

'The response received from the ARTC is published on the Committee's website.'

Resolved on the motion of Mr Harris, seconded Ms Cooke: That Chapter Four, as amended, stand part of the report.

Resolved, on the motion of Mr Provest, seconded Mr Sidgreaves: That the draft report, as amended, be the report of the Committee, and that it be signed by the Chair and presented to the House.

Resolved, on the motion of Mr Provest, seconded Mr Sidgreaves: That the Chair and committee staff be permitted to correct stylistic, typographical and grammatical errors.

Resolved, on the motion of Mr Sidgreaves, seconded Mr Provest: That, once tabled, the report be posted on the Committee's website

- 4. \*\*\*
- 5. \*\*\*

# Next meeting

The meeting concluded at 11.02am to a date and time to be determined.