

INLAND RAIL PROJECT AND REGIONAL NSW

Organisation: Gilgandra Shire Council

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Contact: Randall Medd

4 February 2020

Mr J Clancy MP
Chair
Legislative Assembly Committee on Investment,
Industry and Regional Development
Parliament House, Macquarie Street
SYDNEY NSW 2000

Dear Sir

**SUBMISSION TO NSW LEGISLATIVE ASSEMBLY INQUIRY
INLAND RAIL PROJECT AND REGIONAL NSW**

Thank you for the opportunity to make a submission to the NSW Legislative assembly inquiry – inland rail project and regional NSW.

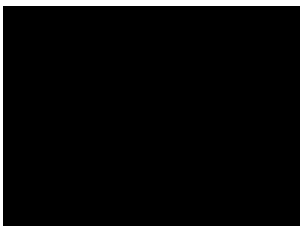
Council has taken the time to prepare a detailed submission which is enclosed separately.

Gilgandra Shire Council has been proactively working with the rail and civil construction industry over the past three years to try and maximise the legacy and economic development opportunities the construction of Inland Rail could deliver to the community.

Gilgandra Shire Council would like to thank the committee for the interest and work on these issues and invite the committee members to Gilgandra to explore the issues on the ground and see the regional economic development opportunity that exists but requires additional support to be fully realised.

Council would also be willing to provide further evidence at any hearings the committee may hold and staff are available more generally to answer any questions that can assist the committee in their work.

Yours faithfully



David Neeves
General Manager

Submission to NSW Legislative Assembly Inquiry Inland Rail Project and Regional NSW February 2021



Gilgandra Shire sits in the middle of the Narromine to Narrabri (N2N) project of Inland Rail. The EIS, currently on public exhibition indicates 91km of greenfield track to be constructed in the shire which is just under one third of the total N2N project. Whilst presenting significant opportunity, it must be noted the greenfield alignment will cause impact to approximately 38 landholders, additional landholders during the construction and the entire community through the construction phase. As one of the most impacted communities in NSW by the project, Council feels ARTC, the Federal Government and NSW State Government should make every effort to ensure maximum opportunity is extracted for our community. Council believe it is a relatively simple equation, those that see the most impact should also see significant benefit.

Gilgandra Shire Council has a long history of involvement in the Inland Rail Project with lobbying efforts with other Councils dating back to 2004. The ever increasing freight task between Victoria and Queensland is clearly evident in a Newell Highway community like Gilgandra and prompted collaborative lobbying efforts to address the issues.

Whilst the focus of Inland Rail, the business case and much of the industry discussion has been, and continues to be, focused on the Intercity Freight between Melbourne and Brisbane, Gilgandra Shire Council feel there is significant opportunities in regional NSW for improved rail network connections to NSW Ports. The increase of the NSW CRN Network, Dubbo to Coonamble line to 25 TAL, should be prioritised to ensure inter-operability between the Inland Rail line and key locations such as the Gilgandra GrainCorp site. The multi directional connectivity of the CRN and Inland Rail at Curban also requires prioritising by Transport for NSW and ARTC.

The committee should note that Gilgandra Shire Council is currently the joint proponent of an Interface Improvement Program project as part of the Federal Government's \$24 million Country Lines Improvement Program (CLIP). The project is in partnership with Coonamble Shire Council and is assessing the costs and benefits of proposed improvements to country lines that intersect with Inland Rail, with a view to potentially accommodating longer, heavier and faster trains. The project focuses on the Gilgandra to Coonamble section of the CRN and the connectivity with Inland Rail at Curban.

Gilgandra Shire Council has been proactively working with the rail and civil construction industries over the past three years to try and maximise the legacy and economic development opportunities the construction of Inland Rail could deliver to the community. This includes membership to the Australasian Railways Association and the NSW Permeant Way Institute.

Both these industry bodies have assisted Council to make industry connections and help guide our legacy project development.

Gilgandra Shire Council thank the committee for the interest and work on these issues and invite the committee members to Gilgandra to explore the issues on the ground and see the opportunity that does exist but will require additional support to be fully realised.

Council would also be willing to provide further evidence at any hearings the committee may hold and is available more generally to answer questions or provide further information that can assist the committee in their work.

Gilgandra Shire Council makes the following recommendations to the Committee:

- The establishment of an Inland Rail Corridor Taskforce.
- The development of a NSW Inland Rail Corridor Development Strategy.
- Immediate focus by the NSW State Government to work with Inland Rail communities to maximise the construction opportunities the project presents.
- The development of Local Activation Zones for smaller communities such as Gilgandra -these areas would provide a zoning for local economic development opportunities related to Inland Rail.
- A review of the NSW Biodiversity Scheme and its impact on projects in regional NSW given most are on greenfield sites and have larger footprints to those in metro areas.
- Assistance and whole of government co-ordination for the facilitation and acceleration of projects that will support the construction of Inland Rail and benefit the economy of NSW.
- The development to maximise the construction spend of Inland Rail in the local communities, regional NSW and NSW more broadly.
- Increase focus on the development of finalised plans for the connectivity of CRN and Inland Rail to remove uncertainty and stimulate investor and industry confidence.
- Prioritisation of the grade separation of all Road/Rail interfaces of the Inland Rail project with State Highways and Regional Roads, with particular attention to greenfield sections
- The development of a rail and civil construction skills regional centre of excellence to elevate NSW to the national leader in rail maintenance and construction skills.

Gilgandra Shire Council has taken a proactive approach to maximising the opportunities for the construction of Inland Rail. The following is a brief outline of Council's focus:

Council's vision is to create Gilgandra as a Construction Hub, in particular:

- Concrete Batching – Gilgandra as the centre for Concrete production. In the Gilgandra Shire alone, there is 2.2km of bridging proposed. Establishment of Precast Facility similar to the APS / Lend Lease model at Macksville (developed for the construction of the Pacific Highway) where Gilgandra would be the centre for pre-casting and create an opportunity to be the centre for pre-casting post construction to service the Central and Western Region of NSW
- Industrial Land – Council to facilitate subcontractors to utilise the Gilgandra Industrial Precinct if land is required
- Castlereagh River Restoration and Beautification project — work with Council where possible to progress and support this concept, noting the Sand Extraction Project is of particular benefit to the Inland Rail project

Accommodation Work Camp Project:

The N2N Project EIS proposes a 500 person temporary worker accommodation facility to be located in Gilgandra. Council has the following ideas how to maximise the legacy benefits of the temporary worker' accommodation facility:

Use of the Aero Park residential subdivision as the site for temporary workers' camp, as nominated in the Inland Rail Environmental Impact Statement

- Opportunity to develop legacy infrastructure such as roads and reticulated services that Council can redevelop for future residential housing needs once the camp has been demobilised
- Council would like the successful contractor to look at accommodation opportunities such as a number of houses constructed for executive staff, thus improving the residential housing stock post construction - this could be through greenfield sites or an infill development approach on vacant lots in the Gilgandra village
- Opportunity to redevelop and modernise a portion of the existing motel accommodation that is in desperate need of improvement

Water Legacy Project:

Council initiated and has reached agreement with ARTC to investigate the development of four bores to supply water for the Construction of Inland Rail. These bores would then be available to Council and the community for ongoing post construction use for such purposes as firefighting, Council road maintenance, auxiliary stock and domestic supply during drought potential and for a water supply scheme. There is also the potential for more water intensive agricultural activities such as feedlots.

This project aims to explore aquifers not currently accessed by other bores and water users in the particular locations.

Work on this project will commence after a quotation process in February 2021 for the engagement of specialist water and project management services.

Skills and Business Development:

Council is seeking ARTC Inland Rail and the Principal Contractors to work together to:

- Build immediate relationships with local schools to start to create career pathways across the whole civil and rail industries
- Support a continuation and broadening on the Skilled 2 Qualified program whereby community members are upskilled to have relevant qualifications to participate in the project
- Support local businesses to enable them to participate in the project at a level at which they feel comfortable and can operate
- Explore a resource partnership with Council to use Council labour and equipment where suitable

Case Study - Skilled to Qualified

A Council developed pilot program



As part of Inland Rail Ready preparations, it has been identified a local skilled labour pool is going to be beneficial to local job opportunities and also offer attractiveness as a location to base construction activities.

At the same time the Gilgandra community were dealing with the impacts of drought. Offering farmers, agricultural workers and businesses impacted by the drought, the opportunity to formalize skills, add potential to provide farm income opportunities and new business opportunities in an identified skill shortage sector. The skill shortage in the construction sector was identified through a partnership between Gilgandra, Dubbo, Narromine Councils and Department Premier and Cabinet. The partners worked together to develop the Industry Skills and Opportunity Report.

From this report (available publicly on Council's website) the Skilled 2 Qualified program was developed. It goes slightly against the grain and challenges traditional training delivery methods in the following ways:

- It was aimed at experienced operators without formal qualifications in the Ag or support sector
- S2Q recognised prior learning (RPL) which means only selected individuals are eligible under this type of program
- Fully funded by Training Services NSW under Smart and Skilled, Special Drought Scheme
- New funding application required for each new group

Five units were determined in consultation with Training Services NSW and our training provider, LDO Group. They are the units delivered to ARTC staff and also agreed to be the most common on a civil construction site:

- RIIMPO317F Conduct roller operations
- RIIMPO321F Conduct civil construction wheeled front end loader operations
- RIIMPO318F Conduct civil construction skid steer loader operations
- RIIMPO320F Conduct civil construction excavator operations
- RIIMPO337E Conduct articulated haul truck operations

The program was launched in August 2019. Key statistics:

- Total of 119 EOIs to be involved lodged through Council's website
- 64 met the criteria
- 23 completed the five units
- 10 have not been offered a course
- 31 offered courses and decided not participate or cancelled at short notice
- 36 not from Gilgandra
- 19 Gilgandra EOIs with no RPL or not ag based

Outcomes

- One participant commenced off farm work with a large regional civil contractor
- Several of the participants used the qualifications as part of their work
- Five participants were self-employed and expanded their business service offerings in the community
- Council now has a list of skilled operators that local contractors can access for casual or contract work
- Not an aim, but significant safety improvements with qualified operators using plant on farm

Narrabri, Moree and Gwydir Shires worked with ARTC Inland Rail to replicate aspects of the program in preparation for the Narrabri to North Star Inland Rail Project with similar positive outcomes.

It is Council's opinion there is a significant opportunity for a collaborative approach to training in local communities to participate in State Significant Infrastructure Projects. Our observation is that many programs are geared towards long term unemployed and the opportunity to upskill and expand skills of complimentary industries is overlooked to some degree. These has been excellent feedback from the Government and Industry sector, achieving confidence in GSC's ability to deliver on these projects.

Connectivity at Curban between the CRN and Inland Rail

The connectivity between the existing CRN Network – Dubbo to Coonamble Line has been a point of frustration for Gilgandra Shire Council throughout discussions on Inland Rail.

Gilgandra Shire Council has a very clear position on the connectivity of the existing CRN and proposed inland rail

There must be multi-directional connectivity at Curban that facilitates full interoperability between the two networks. This must be done in such a way that minimise train operational activities, delay and at Curban.

Without the connectivity there is limited long term economic development opportunities for the Gilgandra community from the Inland Rail project.

Interface Improvement Program

Gilgandra Shire Council is currently a joint proponent with Coonamble Shire Council on Round 1 project of the Federal Government's Interface Improvement Program.

The Gilgandra-Coonamble line is an approximately 94km portion of the NSW CRN. The line predominantly carries grain from Coonamble and Gilgandra onto key supply chains and ports, such as Port Newcastle and Port Kembla for distribution. Grain production from the Coonamble and Gilgandra region, within 50-60kms of the rail line, varies from 500,000 to 1.2 million tonnes per annum.

Future freight demand for the Gilgandra-Coonamble line is estimated to grow approximately 10% by 2029. Rail efficiencies are currently being inhibited by technical restrictions and a lack of connectivity. This may affect the region's ability to enable and support the projected growth in demand for grain production.

Once Inland Rail is constructed between Melbourne and Brisbane, the existing CRN line will cross Inland Rail at Curban with a connection allowing movement from the West to the North and from the East to the South.

The current technical limitations of the CRN (i.e. 19 Tonne Axle Loads (TAL) and speeds of 50-70 kilometres per hour) will prevent industry from utilising the efficiencies provided by Inland Rail (e.g. lower TAL means less grain transported per train).

The joint proposal from Gilgandra and Coonamble Shire Councils involves the upgrade of the CRN line between Gilgandra and Coonamble to improve the interoperability of the line with Inland Rail and the development of further connections with Inland Rail at Curban to allow East to North and West to South movements. Upgrading this portion of the CRN line will improve the efficiency of the line, bringing technical standards closer to that of Inland Rail, with additional connectivity increasing access to Inland Rail and other domestic pathways. This will result in transport efficiencies and economic development opportunities for Gilgandra and Coonamble.

The proposal does not include the upgrade of the CRN line south of Gilgandra due to there being no grain load points on that portion of line.

Given TfNSW are owners of the asset under exploration and an important Proposal stakeholder, TfNSW and the Proponents agreed the need for TfNSW to be closely involved in the Proposal development.

The project is currently ongoing with investigations and final reports due some time in 2021. Gilgandra Shire Council encourage the committee to note the project and would like to think the NSW Government, through TfNSW, support the report recommendations.

Industrial Land Development and Biodiversity Issues

Council was awarded \$3.92 Million by the NSW State Government (Inland Rail Ready Industrial Precinct RNSW2031) towards the project which is estimated to cost \$4.6M. Work has commenced the planning works, starting with the preparation of the Development application.

The site is the final remaining zoned industrial land in the Gilgandra Shire, has Newell Highway access and frontage, rail access on the existing Dubbo/Coonamble CRN line and is ideally located close to town but with limited potential for neighbour conflicts due to natural buffers.

Council is confident if the site is ready for the construction of N2N it will be an attractive site for local manufacturing of components and inputs into the project.

Our Environmental and Planning consultant has advised Council the Biodiversity Offset Credit liability varies significantly across the site depending on the scale of the development. The minimum liability foreshadowed is \$825,835.61. To complete the subdivision and GrainCorp's intended expansion, which could include the expansion of the GrainCorp storage bunkers and increasing the rail siding length, could incur a biodiversity offset scheme liability of \$5M. The \$825,835.61 for the subdivision alone represents an additional cost to the project of 18%, which is unfunded at this stage.

Council has been trying to navigate and work through the Biodiversity Offset Scheme issues for close to eight (8) months and Council anticipates an additional \$50,000 - \$100,000 in consultancy fees to obtain advice on how to navigate through this issue and to set up an offset stewardship site/s on Council owned land.

Initial enquiries at the time of developing the funding proposal and budgets (2018) indicated Biodiversity impacts in the area of \$50,000. Whilst this is still a significant amount of money, it was manageable. The \$825,835.61 will place the project under severe financial strain and jeopardise the Inland Rail ready aspect of the project.

The history of the plan industrial precinct site is extensive agriculture (cropping and grazing). The Ecologist engaged to undertake the assessment found strong evidence of pasture and cropping activity, with black pine regrowth. The fact Gilgandra has recorded nearly 500mm of rain in 2020 means the landscape has rebounded and the site has native grass regrowth. It would be unlikely if an assessment carried out 18 months ago would have yielded similar findings, particularly the native grasses as there was simply none present due to the extreme drought conditions.

Gilgandra Shire Council is not seeking to disregard legislation. We see ourselves as good environmental citizens of the State of NSW, however we have a once in a generation opportunity to secure social and economic opportunities for our

community with the Inland Rail construction and we will miss out because of this legislation that unfairly disadvantages regional NSW and significantly delaying the project.

This is a real example of how this legislation burdens regional and rural communities and is an indirect tax on development in Regional NSW.

The NSW Biodiversity Offset Scheme is the number one inhibitor to the development of major projects in regional NSW and requires urgent review

Finally, this development is key to Gilgandra's Inland Rail (N2N) readiness and resolving these issues in a timely manner is critical to support construction, post construction activities and the social and economic opportunities this project will bring.

Castlereagh River Restoration and Beautification Project

The Castlereagh River in Gilgandra holds significant sand resources that have built up over the past 50 years. Historical photos of the river show that prior to 1955, the river contained very little sand and vegetation.

Council believe there is an opportunity to extract sand for Inland Rail Construction and also other infrastructure projects in NSW. The extraction will create jobs in regional NSW, lower cost of infrastructure projects in NSW, restore the Castlereagh River to a far more healthy state and allow the formation of a semi-permanent water body. The name "Gilgandra" means "Long Waterhole" in Wiradjuri language.

Work and progress achieved on this project to date includes:

- Department of Premier and Cabinet granted Council \$30,000 to undertake a business case or prefeasibility assessment for a sand project, with Council contributing an additional \$11,000 towards the works
- A pre-feasibility assessment has been completed and shows there is a commercially viable volume of sand in the Castlereagh River
- There is also a design of how this new extractive industry could facilitate recreational opportunities and emergency water security
- The feasibility assessment also highlights the approval process and all the issues Council will face - done right, it would be a game changer for Gilgandra, the Orana region, and a potential for this model to be used across regional NSW.
- Late in 2020 Council funded a preliminary Geotechnical investigation which found the depth of the sand averaged between 5.5 to 8m in depth - extrapolated over a study area of investigation of 4.5km of river this equated to 2.5 million cubic meters of sand which Council believe is understated rather than overstated. Council don't believe it is overstating the facts to say this is a fraction of the available resource
- Council now plan to go to market and seek industry involvement to work with Council to develop a commercial sand extraction operation - This project represents an opportunity for the NSW State Government to support a project that has significant potential to improve the environment and economy of Gilgandra but support the enormous amount of infrastructure project currently underway or planned in NSW

Upgrading the key freight route of Hargraves Lane

Hargraves Lane links the Newell Highway and the Oxley Highway in Gilgandra and provides a critical link via Federation Street to the Castlereagh Highway.

Gilgandra Shire Council is in the middle of the Narromine to Narrabri (N2N) Inland Rail section with approximately 100km of greenfield construction to be undertaken through Gilgandra shire at an estimated cost of \$1.6 Billion. Hargraves Lane be a critical thoroughfare for freight movements for the Inland Rail construction phase.

With construction expected to commence within the next two years, Council is concerned that the additional traffic generated as a result of the inland rail construction will cause this section of the road to fail and create safety issues, particularly where it intersects the Newell and Oxley Highways. Council has raised these concerns with the NSW Government on numerous occasions, most recently with Minister Marshall on 8 September 2020.

On behalf of Council, I am requesting your assistance to prioritise this project and make resources available to assist Council or TfNSW Western Region with financial support or human resources to undertake the planning and design to upgrade Hargraves Lane inclusive of the Newell and Oxley Hwy intersections. Council would like to be in the position as soon as possible to lodge applications under the various Federal and State Government road upgrade funding streams to have this upgrade completed in preparation for the commencement of N2N construction.

Berakee Quarry

Berakee Quarry is located approximately 10 km south-east of Collie and 30 km south-west of Gilgandra within the Gilgandra Local Government Area (LGA). The quarry has a current footprint of 2 hectares (ha) and annual production of up to 30,000 m³ (equivalent to 80,000 tonnes (t)).

The owners, Regional Quarries, have submitted an application for designated development and is seeking to expand quarrying operations as follows.

Extraction of tertiary-aged basalt (up to 4.7 million tonnes (Mt)) using drill and blast methods over two stages:

- Stage 1 – 2.3 Mt over 5 years at a production rate of up to 490,000 tpa to supply hard rock materials to the Inland Rail Project
- Stage 2 – 2.4 Mt over 20 years at a production rate of between 80,000 to 120,000 tpa to supply hard rock products to local markets

Regional Quarries anticipates that between 12 and 24 people would be employed at the Quarry during Stage 1. In addition, the delivery of products from the quarry would require a number of truck drivers. Some of these drivers may be employed by the Regional Quarries, while others may be contract or third-party drivers who may access the Project Site on a regular basis. The development would be likely to generate six to eight full time equivalent positions for drivers.

Regional Quarry estimate an ongoing contribution to the local economy of approximately \$3.3 to \$4.6 million per year

This project is an early example of additional investment that is flowing off the back of the Inland Rail project, even at this early stage of the N2N project.

Maximising Federal Spend for Construction

Given Inland Rail is a federally funded project, there is an opportunity for the NSW State Government to work with Councils to maximise project spending at a local, regional and state level during the construction phase

Already a number of major contracts have been awarded outside of NSW for projects and components that are to be used in NSW construction.

Council suggest that the NSW Government assist Council to develop local participation plans, business development programs and local procurement plans. These plans would form a proactive approach to working with ARTC and their appointed contractors and suppliers. Project expenditure in regional NSW is in the Billions of dollars over the next five years and Council believe it is essential the NSW Government look to maximise this opportunity by supporting the construction communities, regional NSW and broader NSW suppliers.

NSW Freight and Ports Plan 2018-2023

Council is of the opinion that at the time of the development of this plan there was a high degree of uncertainty about aspects of Inland Rail. It is suggested a midterm review of the Freight and Ports Plan is required to incorporate new information, Local and State Government Investments and private sector projects that have emerged.

As an example, the plan mentions Parkes, However there have been four Special Activation Precincts developed and various other small projects planned or proposed along the Inland Rail route.

Council recommends that an Inland Rail Corridor Taskforce be established as a matter of priority to focus and coordinate discussions of communities along the corridor.

The development of an Inland Rail Corridor Strategy that supports other existing NSW State Plans is a practical and much needed action that will assist guide development and maximize opportunities for NSW.

The NSW sections of Inland Rail are planned to be completed and operational prior to much of the Inland Rail in Queensland. A small window of time exist for NSW to utilize this opportunity to win business for the Ports in NSW and disrupt traditional freight paths for the advantage of the NSW economy

Rail Maintenance and Provisioning

Council would like to work with the State Government to explore the establishment of a rail skills training facility in Regional NSW, with Gilgandra presenting an opportunity due to the construction activity of Inland Rail over the next five years. The rail industry in Australia has well documented concerns regarding the available skills to undertake the planned infrastructure construction program over the next 5 to 10 years. This presents an opportunity to build NSW as the workforce and centre of skill development in the rail industry.

The Skills Issue and Opportunity for NSW

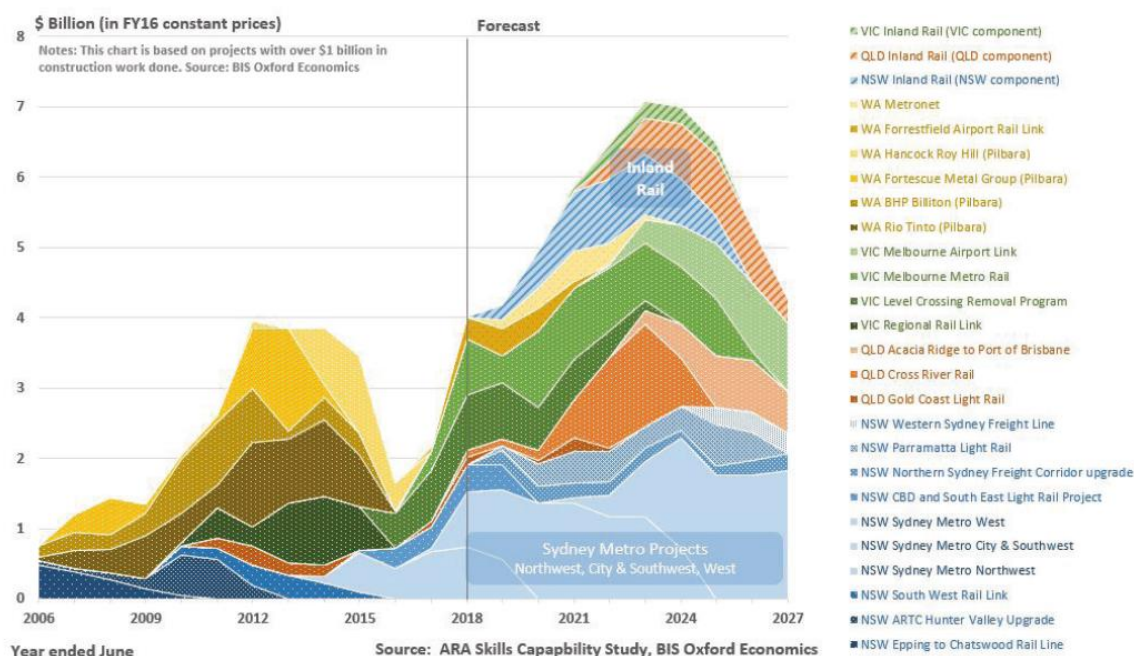
In May 2018, the Australasian Railway Association engaged BIS Oxford Economics to undertake a workforce capability analysis for the rail industry.

The study was based on planned and forecast growth in rail infrastructure and rolling stock in Australia and New Zealand over the next 10 years, with implications for a range of rail industry skills across construction, manufacturing, operations and maintenance.

Through expansive stakeholder and industry engagement, gap analysis and extensive data analytics, the report explains skills demand in the rail industry over the coming decade, the key threats to workforce capability, and what industry and government can do to respond to meet the challenges of delivering on the significant rail infrastructure investment.

Full Report - <https://ara.net.au/ara-skills-capability-study>

Major Rail Projects in Australia



Road Rail Interfaces and Regional Road Impacts

Council has been supported by Minister Toole in its efforts to request ARTC and the Federal Government review the current project design to have at grade, active level crossings on the Oxley Highway west of Gilgandra and the Castlereagh Highway north of Gilgandra at Curban.

Council strongly believe that both these State Highways must be grade separated interfaces for the safety of the community and also the productivity of the region with significant impact to heavy vehicle movements caused by delays of stopping at these interfaces. Council has addressed this issue in depth.

Extract for correspondence related to grade separation Issue to Minister Toole, Deputy Prime Minister and Federal Member for Parkes:

As you are aware Gilgandra Shire Council is in the middle of the Narromine to Narrabri (N2N) section with approximately 100km of greenfield construction to be undertaken through Gilgandra shire. The Inland Rail will intersect the Oxley and Castlereagh Highways with level crossing currently proposed for these Road/Rail interfaces.

I note the Federal Government recently announced that additional funding is to be made available to the Inland Rail project to construct an additional six (6) grade separated interfaces.

On Friday, 27 November, Council staff participated in a TfNSW Western Region Local Government Forum where it was indicated that there will be a process to prioritise the Highways and Regional Roads that will be supported by TfNSW for Grade Separation.

Whilst Council respect that this process needs to run its course, I would like to strongly advocate that the Oxley and Castlereagh Highways must be grade separated. Our community expects nothing less.

Minister Coulton's office has indicated that they are hopeful of having a further meeting between Local Government, Deputy Prime Minister McCormack and yourself prior to Christmas which we will eagerly await as a follow up to our previous meeting held on 17 July 2020.

Gilgandra Shire Council is ultimately seeking formal commitment from the NSW State and Federal Governments that the Oxley and Castlereagh Highways will be grade separated.

Hargraves Lane links the Newell Highway and the Oxley Highway in Gilgandra and provides a critical link via Federation Street to the Castlereagh Highway.

As you are aware Gilgandra Shire Council is in the middle of the Narromine to Narrabri (N2N) Inland Rail section with approximately 100km of greenfield construction to be undertaken through Gilgandra shire at an estimated cost of \$1.6 Billion. Hargraves Lane be a critical thoroughfare for freight movements for the Inland Rail construction phase.

With construction expected to commence within the next two years, Council is concerned that the additional traffic generated as a result of the inland rail construction will cause this section of the road to fail and create safety issues, particularly where it intersects the Newell and Oxley Highways. Council has raised these concerns with the NSW Government on numerous occasions, most recently with Minister Marshall on 8 September 2020.

On behalf of Council, I am requesting your assistance to prioritise this project and make resources available to assist Council or TfNSW Western Region with financial support or human resources to undertake the planning and design to upgrade Hargraves Lane inclusive of the Newell and Oxley Hwy intersections. Council would like to be in the position as soon as possible to lodge applications under the various Federal and State Government road upgrade funding streams to have this upgrade completed in preparation for the commencement of N2N construction.

Socio Economic Issues –State Agency Servicing

We encourage the committee to review Councils very detailed submission in response to the Inland Rail N2N Environmental Impact Statement. Submission close on 7 February 2021 and will be available for view a short time after this date at:

www.planningportal.nsw.gov.au/major-projects/project/10211

An issues raise by Council in our submission is in relation to the anticipated construction workforce in Gilgandra of up to 500 people for 48 months. This raises issues around Police numbers, health services and various other state government delivered services and their potential requirements for increased resourcing during construction.

SEARS Submission

The following information is extracted from Gilgandra Shire Council's submission to the NSW Planning Industry and Environment – Secretary's Environmental Assessment Requirements Inland Rail Narromine to Narrabri Project. This was submitted in August 2018 and gives the committee some understanding of the broader community issues Council has been trying to highlight for nearly three years.

SECRETARY'S ENVIRONMENTAL ASSESSMENT REQUIREMENTS INLAND RAIL NARROMINE TO NARRABRI

This submission to the standard Secretary's Environmental Assessment Requirements (SEARs) for the proposed Inland Rail Project which has been deemed a Critical State Significant Infrastructure Project. This submission is intended to highlight the particular issues that will confront Gilgandra Shire Council and affected stakeholders with the proposed Inland Rail development.

Gilgandra Shire is potentially one of the most impacted communities from this development with, under current proposals, 95km of Greenfield line potentially impacting 91 landowners directly and indirectly affecting many more. In addition, based on Council's interpretation of the proposed alignment, nearly 60km of our road network will be directly impacted with the alignment potentially following existing road reserves. One third of the Narromine to Narrabri project will occur in the Gilgandra Shire LGA.

Gilgandra Shire Council has been involved in numerous discussions with landowners, ARTC, Federal Government and strongly advocated for improvements in community consultation regarding Inland Rail.

Gilgandra Shire Council does not believe that it represents every single landowner's individual issues and concerns. This submission is a summary Council believes are the common issues and also the most important or significant and need to be addressed through the planning process.

Gilgandra Shire Council has the responsibility to represent the views of landowners, residents and ratepayers. As such, is advising the NSW Department of Planning that there are a number of impacted landowners that believe the Inland Rail route should follow existing rail alignments. These landowners are seeking further clarification from ARTC and the Federal Government as to why the existing corridor cannot be used in the Gilgandra Shire and they have also requested ARTC and the federal government provide additional information regarding the route selection process.

Council has highlighted to ARTC that, where possible, existing rail alignments should be used to minimise the impact on landowners.

Communication and Stakeholder Engagement

- *Council has been critical of the community engagement process undertaken by ARTC to this point. A project of this scale in our community requires a physical presence. At a recent planning focus meeting held at Narrabri and Narromine, ARTC announced there was a new community engagement team taking over.*

It is disappointing for the community and particularly affected landholders that there is no consistency where face to face on-site discussion have taken place. What reassurance do stakeholders have that their message isn't lost in the handover?

The lack of a visible presence in the Gilgandra community has greatly hindered ARTC's ability to communicate with landowners and the wider community about the project. Gilgandra Shire Council

strongly urge that ARTC establish a visible presence in Gilgandra in the form of a shop front. With 1/3 of the entire N2N project proposed to occur in the Gilgandra Shire, our organisation is of the view this project can not sufficiently be planned, designed and managed remotely, whilst effectively dealing with the significant community concerns. The current unwillingness to commit to a visible presence also gives a perception of a reluctance to invest and have an involvement with our community on an ongoing basis. Council feel that in any other project of this scale, be that mining, resource / energy or other infrastructure, establishing a presence would have been one of the first actions.

Land Owner Impact

- **Methodology for compensation** - There is significant community concern that a simple land valuation will be the methodology for compensation. It has been communicated by ARTC that the process will follow NSW Legislation and in particular the Land Acquisition Just Terms Compensation Act 1991. The corridor goes through the heart of the Gilgandra Shire and potentially directly impacts approximately 91 businesses. The land is not just where people live, it is their business and their livelihood. Simply compensating people for the loss of land does not consider the cumulative impact on the ongoing profitability of their businesses and the total impact to the Gilgandra Shire economy.
- In addition, it has been discussed in the community, those living in close proximity to the alignment who feel they may be impacted by noise (construction and operational) and other disturbances may have limited options for compensation as the line may not run through their property.
- **Property severance** - Where a rail line dissects a property or properties operated by the one business, there may result significant issues in relation to moving stock, plant and equipment across the rail line. During community consultation some landowners were advised that gates would be installed to assist in moving stock however this action in itself is potentially troublesome.

In contrast, some landowners have been advised that interaction with the railway will be restricted for obvious reasons. This would mean there is potential for existing farmers to have to travel significant distances to move stock, move farm machinery between properties and potential for increased travel time to markets. Even an extra 5 or 10 km can have a huge impact on the profitability of farm operations and as we understand it, will play little role in any compensation and mitigation strategies, with safety overriding farm business profitability.

- **Capital improvements** - Many business operators have chosen to put any plans for capital improvements on hold, pending a decision on the alignment. Despite a verbal assurance at consultation sessions that any costs would be reimbursed through the compensation process, business operators are naturally dubious of such an assurance. This delay unfortunately also has a flow on impact to our agricultural businesses and local associated support and supply chain industries.
- **Contacts with authority** – Impacted land owners, businesses and to some degree Council are frustrated that consultants they have been dealing with up to this point have no authority. A project of this scale, significance and impact on the community requires ARTC to have people with authority available to discuss issues and give detailed and meaningful responses in a timely manner.
- **Dwelling permissibility/Devaluation of land** - Landowners are also concerned with property severance and the impact on the issue of dwelling permissibility and the creation of potentially sterile land. Gilgandra Shire Council's LEP 2011 currently has a minimum lot size of 500ha in RU1 Primary production zone for dwelling permissibility. If a property was divided, hypothetically a landowner would have no dwelling permissibility to construct a dwelling on the newly created parcel of land.

In addition the parcel of land with the existing dwelling would potentially see a reduction in size that would fall under the minimum lot size. This outcome is opposite to the guidance and advice from the Department of Planning in relation to maintaining the minimum lot size with existing dwellings. Whilst this is a Local and State Government issue, the Federal Government need to provide support to undertake the laborious and costly land use planning work to examine this issue to ensure the impacted landowners are not disadvantaged.

This has significant potential to cause an instant devaluation of the land if it has no dwelling permissibility or the land becomes sterile as a result of the separation. In addition, if landholders want to subdivide, the planning laws would prevent it if it was to see the creation of a dwelling on a lot less than the minimum lot size. There needs to be clear guidance by the State on these issues and also adequate financial, technical and other resources provided to Gilgandra Shire Council by the proponent if this projects requires a review of the LEP in order to deal with the land planning issues.

- **Social impact of dividing neighbours** - There is also a significant social impact of literally dividing neighbours. The generational friendships, support and linkages to community should not be forgotten in this process. Farms are not just blocks of land on maps; they are part of communities that have formed over generations, usually by the families of the people that are still on these properties. The uncertainty of the alignment is adding stress to an already stressful occupation, lifestyle and business, particularly in the current drought environment where people are under enormous financial and emotional stress.
- **Financial assistance for legal support**- The agricultural businesses would like guarantees they will have all reasonable legal and associated costs of dealing with land purchase issues are covered including Stamp Duty, survey and subdivision fees in any subsequent land purchases resulting from land acquisitions for the alignment. The assistance may also extend to, but not limited to, assistance to seek financial advice and modelling to measure long term business impact, develop new business plans and assist in the restructuring of farm and business operations.

Safety

- **Best design options** - Build it using the best available design options not the most economical. The community should not be forced to deal with issues and be forced to lobby for safety improvements in the future as a result of accidents and deaths. The proposed development will create a large number of level crossings in the Gilgandra Shire on Council's rural road network, thus creating additional safety hazards.

In addition, it needs to be remembered that crossings need to accommodate a minimum of 6 metre farm machinery and implements and need to have a gradient that allows them to travel over level crossings without getting stuck. The movement of farm machinery around the district is both common practice and essential to current farming activities.

The EIS must address these safety concerns for the community and demonstrate avoidance and minimise these impacts on public and green roads in the form of crossings.

Community Economic Impact

- **Tangible economic outcomes** - we believe there needs to be a greater emphasis on delivering tangible economic outcomes for our community. The community is concerned that whilst the Inland Rail offers national benefits and also potential local economic benefits, it is also a risk and a potential economic disruptor impacting the extremely valuable agricultural sector.
- **Potential population loss** - There is a real and genuine fear that our community will lose families who decide to leave as their business is no longer sustainable as a result of the impact of the project. We have witnessed this with the failed Cobbora mine project where 30 plus families left the Dunedoo district as the result of a compulsory or negotiated acquisition processes. It is understood that this is a different project but the potential for a similar impact is real.

There needs to be consideration to a program to support Local Government retain displaced families by encouraging residential and business activity locally. Essentially there need to be a mechanism in

place to monitor and mitigate if people choose to sell their entire farm and leave. ARTC saying that was the individual's choice is not acceptable as it is a forced choice.

The impact is felt for years to come when population decline results in the community's inability to retail essential services.

- **Advantages from construction** - Our community should be one that sees significant advantages from the construction process. We are concerned that without leadership from the Federal Government and ARTC it will be up to our community to compete against larger regional communities to extract benefits for our community. History tells us that communities like ours lose out to nearby regional cities. One third of 100km of the N2N project is in the Gilgandra Shire, so if our community is to feel 1/3 of the pain, it is justifiable to say we should as a minimum see 1/3 of the gain. That is a rudimentary analysis's but it's something the proponent need to be mindful of in their decision making process.
 - Workers Camps – Gilgandra Shire Council see there is a need to develop a strategy within our community as to how the expected workers required on this project will be accommodated. Gilgandra has 11 motels and three caravan parks. In addition there is a 55 lot residential subdivision DA approved that provides a potential site for temporary workers' accommodation facilities.
 - Given the combination of existing accommodation facilities and the ability to develop workers' accommodation on a DA approved site, Council would strongly oppose construction of remote work camps on sites along the alignment remote of established townships. There are numerous examples all over Australia where remote work camps act as economic ring fences and should out local communities from economic benefits. Gilgandra Shire Council feel the EIS process should identify work camp locations and allow communities to prepare for the challenges and opportunities. Allow contractors to select these site at short notice once construction contracts are awarded will result in significant community issues.
 - Sourcing of local materials – The construction phase of the proposed development will require significant raw material. There is a number of local businesses within the Shire that, given the opportunity, would be able to expand their business to be in a position to supply material to the project. Assistance from the proponent would be required in some cases to develop these facilities to a point where they have the required approval to operate at the scale required for this project.
- **Social** - Consideration should be given to these options to assist our community benefit in the short term and in the longer term. This could include:
 - a local participation plan to form part of all construction contracts
 - legacy infrastructure that benefits the community, particularly our agricultural community and includes water infrastructure that will be needed to undertake the significant civil works.
 - consideration in the design to facilitate additional local rail access at key strategic points such as Curban to provide connectivity between the existing rail line and Inland Rail line.
 - Consideration for design to allow for private investment in grain loading facilities off line. This could be achieved at key locations such as passing loops and breakdown wagon parking lines. All standard design features of freight rail lines but with vision provide positive opportunities for our local farming businesses.
 - Targeted strategies to promote and facilitate Indigenous and youth employment.

Environment Issues

Water -Water has emerged as a critical issue that requires a collaborative approach in the development of a solution for the construction of Inland rail.

GSC understand that ARTC and the selected contractors will need approximately

1 - 2 megalitres per day per construction area during construction of the N2N project. At our own cost, Gilgandra Shire Council engaged an independent Geohydrologist to assess the NSW Office of Water bore data for the Inland Rail alignment in the Gilgandra Shire. A copy of this report has been attached for your information but in summary, for most of the 95km of the alignment in our Shire, existing bores from readily accessible ground water sources simply do not produce sufficient flows to meet the expected usage during construction.

In the design and development of the N2N project Gilgandra Shire Council has the following objectives in relation to construction water:

- To see water sourced from aquifers not currently used by existing landowners for stock and domestic uses to avoid cannibalising or competing with current existing stock and domestic sources.
 - To see water bores developed with best practice techniques to preserve the integrity of shallow aquifers that are used by landowners.
 - To develop high flow bores and infrastructure that would leave a legacy to the Gilgandra community for agricultural and domestic supply post construction.
 - To develop a project that has community support and is seen as a benefit of Inland Rail rather than posing a threat to existing water sources and therefore agricultural businesses and lifestyles.
 - To improve access to reliable water sources for Gilgandra Shire Council's road maintenance activities. This will allow road works to continue through dry times.
 - Provide a reliable source of water, the length of the Shire to improve bushfire fighting capabilities.
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- **Biosecurity challenges and risks** - With a number of existing highways in the Shire, farmers are very familiar with the biosecurity challenges and risks infrastructure corridors pose. From landowner observation of the existing rail corridor in the Gilgandra Shire, the spread of noxious weeds by train movements and vehicles that access the line for maintenance is a real issue. Maintenance of the residual land in the existing corridor appears not to be a priority. This issue requires meaningful consideration in the management of the corridor. During a construction phase this is of a real concern with vehicles driving from all over the corridor and potentially spreading weeds and other biosecurity risk such as animal disease.
 - **Hydrology implications** - There has been significant discussion in the consultation process about the hydrology implications of putting a "levee bank" through the heart of agricultural land. Interruption of overland water flows has the potential to cause significant impacts on agricultural businesses, particularly those farms who do not have bores and rely only on rainfall to exist. It could also concentrate flows creating localised flooding or hold back flows, inundating crops and grazing land.

The EIS must address the impacts of flooding on existing water ways and water courses from the proposed development.

Impacts to local roads, compensation to Local Government to upgrade roadside drainage and road formation to handle the increased flows.

- **Operational noise** - With proposed 24 hour operations and the size and speeds of the trains that have been discussed, noise is a legitimate concern. Agricultural businesses that have developed over 150 years have placed infrastructure such as houses, shearing sheds and stockyards in locations away from the major highways. This project will now see, at numerous locations, these vital pieces of infrastructure subject to noise impacts. It would be very hard to shear sheep or muster cattle with a 1.8km train doing 110km passing in close proximity.

Obviously there are train lines all round Australia and the world and agriculture continues. The difference in most scenarios is that train line was built many years ago and the critical farm

infrastructure was developed in suitable locations. Now we have extremely expensive shearing sheds, cattle yards and other buildings that may end up unusable when impacted by noise. The noise could also potentially affect livestock in the lambing/calving season.

Revegetation and a commitment to reinstate divided land with a vegetation offset of newly planted trees, a procurement process which supports the propagation of such trees and shrubs locally.

Directly affected landholders will have the highest impact from noise and vibration. ARTC has nominated operational noise to include the following:

- Wheel rail interaction
- High frequency wheel squeal on tight radius curves and brake squeal from freight wagons at low speed.
- Horn noise
- Maintenance activities(eg rail grinding, inspections)
- Ground vibration from train movements
- Idling diesel engine, exhaust system, cooling system and motor system noise.

Operational noise and vibration from the proposed development will have a significant impact on landowners. The EIS must address the impacts on sensitive receivers from noise and vibration. Particularly residential properties that will have a negative impact from construction and operational noise and vibration. Current farming practices with sheep has the potential for farmers to suffer production

losses at lambing time as the noise and vibration may separate the ewe from the lamb with no reconnection. Thus making this area of the farm non-productive. The proponent would need to demonstrate measures to avoid and mitigate these impacts.

- **Construction noise** - Similar concerns have been raised in relation to the construction. 100km of civil works through the heart of the agricultural production area of the Gilgandra Shire is a significant risk to agricultural operations with soil disturbance leading to the emergence of invasive weed species, additional land access requirements, impacts on rural roads that farm businesses rely on and various other issues that a project of this scale present.
- **Aboriginal Cultural Heritage** – The community and affected stakeholders require reassurance that the EIS will address identified areas of aboriginal cultural heritage significance pre construction and during construction. It is suggested that consultation with all local indigenous groups be held during the EIS and prior to construction.
- **Biodiversity** - The community and affected stakeholders require reassurance that the EIS will address impacts on flora and fauna and demonstrate measures to avoid and minimise the impacts on flora and fauna.
- **Dust** - The community and affected stakeholders require reassurance that the EIS will address dust impacts during construction.
- **Transportation and Traffic** – During construction there will be a significant impact on Council's road network. Council will require post construction that the roads be returned to as good or better condition prior to construction of the proposed development.

4G network

- ARTC has discussed that a network of 3G or 4G towers would be constructed to facilitate operational communications. It should be guaranteed that the community could benefit from the 4G network and that ARTC work with telecommunication service providers to ensure the community has access to improved mobile coverage.

Local Based Office

At the time the route is announced, the community feel it would be appropriate for ARTC to have appropriate staff representation in the area so that affected landowners and businesses are able to obtain reliable information and discuss the impacts to their property on an individual basis.

Dedicated staff, locally based in Gilgandra on a fulltime or predetermined schedule is viewed as an essential action by landowners to gain some continuity and consistency in communication.