

**Submission
No 45**

INLAND RAIL PROJECT AND REGIONAL NSW

Organisation: NSW Government

Date Received: 3 March 2021



The Hon. John Barilaro MP
Deputy Premier
Minister for Regional New South Wales
Minister for Industry and Trade

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

ATTN: Ms Emma Wood, Committee Manager

Dear Mr Clancy *Justin*

I write regarding the Legislative Assembly Committee on Investment, Industry and Regional Development Inquiry into Inland Rail project and regional NSW (the Inquiry).

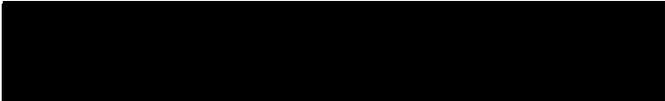
NSW is facing one of the most challenging periods in our lifetimes with the back-to-back crises of severe drought, the 2019-20 summer bushfires and the ongoing COVID-19 pandemic. The NSW Government is leveraging significant infrastructure investment for regional NSW to maximise the benefits for our state and create lasting economic growth.

The 20-year Economic Vision for Regional NSW outlines the significance of the regions to NSW's future success and demonstrates how the NSW Government plans to fully unlock our regions' potential. Initiatives include the creation of Special Activation Precincts (SAPs) and the \$2 billion Regional Growth Fund.

I welcome this Inquiry as an opportunity to highlight the extensive support the NSW Government is providing to regional NSW and to identify further opportunities to support both the current and future infrastructure investment for the regions.

Please find enclosed the NSW Government's submission to the Inquiry. It is a comprehensive overview of NSW Government support for Inland Rail and regional NSW to date. I hope that you find the submission informative and that it assists you in developing the Committee's draft report.

Yours sincerely



The Hon. John Barilaro MP
Deputy Premier
Minister for Regional New South Wales
Minister for Industry and Trade

CC: The Hon. Gladys Berejiklian MP, Premier of New South Wales

Encl.

**NSW Government Submission to the
Legislative Assembly Committee on
Investment, Industry and Regional
Development Inquiry into the Inland
Rail project and regional NSW**

PREPARED BY THE NSW GOVERNMENT

FEBRUARY 2021

Contents

Contents	2
Executive summary	3
NSW Government strategic priorities	4
Bilateral Agreement with the Commonwealth Government	5
The 20-Year Economic Vision for Regional NSW	6
Engine industries in regional NSW	6
Economic enablers in regional NSW	6
Regional Economic Development Strategies	7
NSW State Infrastructure Strategy 2018-38	8
NSW Freight and Ports Plan 2018-23	9
Economic growth	9
Efficiency, connectivity and access	10
Capacity	11
Sustainability	11
Safety	12
Support for regional jobs and industry	13
Expected economic benefits for regional NSW	13
Construction phase opportunities	14
Long-term economic benefits for engine industries	15
Investments to leave a legacy for regional NSW	18
Special Activation Precincts	18
Moree	19
Narrabri	19
Parkes	20
Wagga Wagga	20
Other priorities	20
Engagement with regional communities	23
Conclusion	25

Executive summary

Inland Rail is a landmark national infrastructure project that presents major economic opportunities to the people and businesses of NSW. A multi-billion-dollar investment to establish a freight corridor between Melbourne and Brisbane via regional NSW, the NSW Government recognises that Inland Rail is a potential game changer for our regional communities. Home to Australia's largest and most diverse regional economy, Inland Rail in NSW will provide strong support for our key engine industries – particularly freight and logistics, mining and primary production – by better connecting our primary producers to markets at home and overseas. It will also create thousands of jobs in the regions, particularly during the construction phase, and deliver a modern, efficient and reliable freight and supply chain that is well placed to meet future demand.

NSW is facing one of the most challenging periods in our lifetimes with the back-to-back crises of severe drought, the 2019-20 summer bushfires and the ongoing COVID-19 pandemic. Although the successful re-opening of the State's economy has helped most businesses to open their doors and allow people to return to work, the full economic recovery will take time. It is now more important than ever before that the NSW Government continues its work with the Commonwealth Government and the Australian Rail Track Corporation (ARTC) to leverage this significant infrastructure investment, maximising the benefits for our state and creating lasting economic growth.

The NSW Government is committed to driving economic recovery from our regions. On 3 February 2021 we launched the 20-Year Economic Vision for Regional NSW (the Vision), outlining how we will champion our key engine industries in the regions in the years ahead at the same time as supporting diversification to future-proof regions from the threats of drought, fire and floods. Alongside other important initiatives including the creation of Special Activation Precincts (SAPs) and the \$2 billion Regional Growth Fund, the Vision highlights the significance of the regions to NSW's future success and demonstrates how the NSW Government plans to fully unlock our regions' potential.

As well as complementing these regional strategies, Inland Rail also aligns with the NSW Government's strategic infrastructure and transport plans, including the State Infrastructure Strategy, the Future Transport Strategy 2056 and the NSW Freight and Ports Plan 2018-23. The NSW Government is investing heavily in the arterial roads, rail and business precincts that link to Inland Rail and facilitating improved connectivity to ports, intermodals and other freight hubs to harness Inland Rail's potential in NSW. We are also investing \$16.8 million to establish the Northern NSW Inland Port in Narrabri and \$43.7 million for the new world-class Riverina Intermodal Freight and Logistics hub in Wagga Wagga. These projects demonstrate how state and local governments, private industry and regional communities can come together to realise the benefits that Inland Rail offers.

The NSW Government welcomes this Inquiry as an opportunity to further explore the potential benefits Inland Rail offers NSW including greater opportunities for improved rail network integration, especially east-west connectivity, and strong safety outcomes. We remain committed to working constructively with the Commonwealth Government and the ARTC to address outstanding issues, recognising the importance resolving key concerns in building community confidence across the state. The Inquiry will also enable regional communities and landholders impacted by the Inland Rail project to have their views heard and considered. The NSW Government will take these views into consideration as the project develops and encourages the Commonwealth Government and the ARTC to do so as well.

NSW Government strategic priorities

In recognition of its transformative potential for the nation's industry, Infrastructure Australia¹ identified an inland rail line in May 2016 as a priority to boost freight productivity along eastern Australia, with low cost and efficient regional connections to port and urban freight destinations. The overarching goal of the Inland Rail project is to make rail freight competitive with road freight, to ensure goods from our regional paddocks, pits and plants can cost effectively move to market and ultimately grow the productivity of our regions and cities. The Inland Rail project is a fully funded Commonwealth Government initiative to be delivered by ARTC. It will deliver 1,700km of freight rail network connecting Melbourne and Brisbane via regional NSW. The Inland Rail project is a multi-billion-dollar investment that will create over a thousand new full-time equivalent (FTE) jobs in regional NSW and alleviate pressure on the national freight network. Once complete, the project will deliver goods more quickly around Australia – better connecting producers to markets and creating new opportunities for businesses, industries and regional communities.

The Inland Rail project comprises 13 individual projects, seven of which are based in NSW. These projects involve a mix of major upgrades to existing tracks as well as construction of new tracks. Key sections of the route in NSW are:

- Albury to Illabo
- Illabo to Stockinbingal
- Stockinbingal to Parkes
- Parkes to Narromine
- Narromine to Narrabri
- Narrabri to North Star
- North Star to Border (Queensland).

Inland Rail will open up new routes and increase the demand for freight paths on a range of rail and road corridors. The NSW Government is working to ensure the project delivers improved connectivity to the National Land Transport Network which includes both road and rail connectivity and interoperability.

The Inland Rail project supports NSW Government strategies for economic development and infrastructure investment, including through the:

- 20 Year Economic Vision for Regional NSW
- State Infrastructure Strategy
- NSW Freight and Ports Plan 2018-23
- Future Transport 2056.

¹ <https://www.infrastructureaustralia.gov.au/projects/inland-rail>

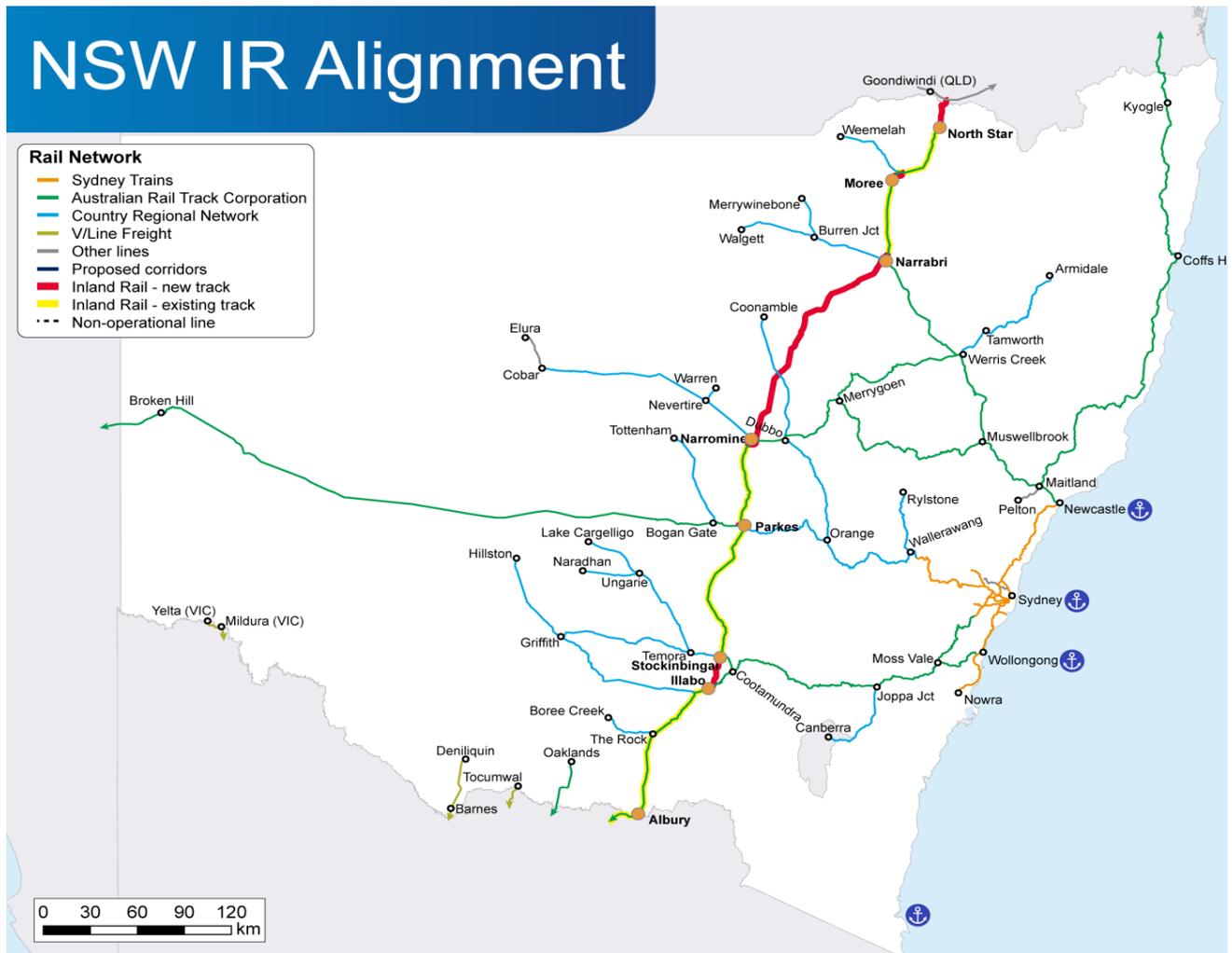


Figure 1. NSW Inland Rail Alignment

Bilateral Agreement with the Commonwealth Government

The NSW Government has sought to maximise the benefits to the State through negotiating a Bilateral Agreement with the Commonwealth Government, agreed in 2018, to deliver jobs, improved transport connections, access to new markets and supply chain efficiencies for NSW. The key objectives of the Bilateral Agreement have been derived from the NSW Freight and Ports Plan 2018-2023 for economic growth, efficiency, safety, and sustainability. These objectives include:

- improving freight connectivity with the National Land Transport Network and to the Country Regional Network
- improving freight access across modes to and from regional markets and to NSW ports
- ensuring an open access regime for freight across Inland Rail
- reducing costs for freight rail operators and their customers
- reducing transit time for freight services between Melbourne and Brisbane with improved reliability and certainty of transit times.

The NSW and Commonwealth Governments have agreed to work together to ensure opportunities for economic and regional development are realised in NSW. This includes opportunities for sustainable training and employment with a focus on local and Aboriginal employment

opportunities and having regard to the Commonwealth Government's Indigenous Procurement Policy and the NSW Government's Infrastructure Skills Legacy Program.

The 20-Year Economic Vision for Regional NSW

The 20-Year Economic Vision for Regional NSW is the NSW Government's overarching economic development strategy for regional NSW. In response to drought, bushfires, floods and COVID-19, the NSW Government refreshed the Vision in February 2021 to ensure that its investment priorities reflect the changed economic context. The Vision Refresh accounts for NSW's achievements since 2018, the impacts of cumulative economic shocks and the changed outlook to identify new aspirational targets and priorities for regional economic development.

Engine industries in regional NSW

The Vision Refresh identifies seven 'engine' industries for regional NSW. These are industries that employ a higher proportion of people compared to other regions, service markets beyond their local region and are often a key driver of population growth. Engine industries not only directly employ local people, they also support enabling industries, such as construction, and population-facing industries that provide goods and services for residents of regional NSW.

Regional NSW's seven engine industries are: agribusiness and forestry, resources and mining, tourism and hospitality, tertiary education and skills, health and residential care, freight and logistics and defence. There are also three emerging and four future industries. Emerging industries for regional NSW are advanced manufacturing, technology-enabled primary industries and renewable energy. Future industries are critical minerals, ecotourism, recycling and waste management and high-quality food products.

Inland Rail is an enabling project that has the potential to increase employment in freight and logistics. It can also increase the volume and value of goods exported for primary industries and resources and mining. In the longer term, Inland Rail has the potential to support employment in agricultural value-add industries, advanced manufacturing, critical minerals and high-quality food products. Growth in these industries will increase demand from enabling and population-facing industries downstream, increasing regional NSW's overall economic activity and employment.

Economic enablers in regional NSW

The Vision Refresh identifies five enablers that guide strategic, high impact investment in regional NSW. These are: infrastructure, skills, advocacy and promotion, business environment and economic strength and diversity. Underneath these enablers, the Vision Refresh identifies priorities for the NSW Government to investigate within five, 10 and 20 years. This includes priorities that directly link to Inland Rail as well as those that leverage broader opportunities related to it. The NSW Government has committed to investigating:

- inland intermodals near the production of agricultural products
- more efficient road, rail and air transport and port access between inland intermodals and global gateways
- benefits that can be realised from Inland Rail
- optimising rail, road, port and air links to make regional products more competitive in overseas markets
- ensuring alignment in land use and transport infrastructure planning to maximise investment

- targeted skills and work experience approaches for groups that are underrepresented in regional economic participation, including Aboriginal people
- coordinating cross-industry and cross-sector research and training partnerships within SAPs, Regional Job Precincts, Renewable Energy Zones and other government initiatives to drive innovation and diversification.

By delivering on these priorities and more, regional NSW has the potential to attract an additional 180,000 people above baseline growth and create 64,000 new FTE jobs.

Snowy Hydro Legacy Fund

The Vision also provides the blueprint for the investment of the \$4.2 billion Snowy Hydro Legacy Fund into transformational infrastructure for regional NSW. The NSW Government has announced five priority areas to deliver on the Vision's objectives through large scale, economically productive projects that will drive regional growth over the long term.

A key investment priority is improving freight network linkages, logistics and supply chain processes across regional NSW. This includes the recently announced Regional Freight Partnerships Program focused on helping farmers and regional communities get the state's world-class produce to domestic and international markets sooner.

Regional Economic Development Strategies

The NSW Government has assisted local councils to develop five-year Regional Economic Development Strategies (REDS) to provide localised plans for the state's regional economies. The REDS provide a realistic pathway for job creation and regional development. Organised into Functional Economic Regions, which recognise the groupings of Local Government Areas (LGAs) that work together to create economies with strong economic links, local councils identified their regions' endowments, economic strengths and specialisations, and opportunities for development. This analysis, supported by community consultation, then informed actions to undertake over the next five years.

The transformative opportunity presented by Inland Rail features in many of the REDS. Eastern Riverina (Coolamon, Junee, Lockhart and Wagga Wagga councils), Mid-Lachlan (Forbes, Lachlan and Parkes councils), Upper North West (Gwydir, Inverell, Moree Plains and Narrabri councils) and Central Orana (Dubbo and Narromine councils) recognise the importance of Inland Rail in their REDS. Economic opportunities are identified both in the construction stage as well as by integrating Inland Rail into local supply chains.

NSW State Infrastructure Strategy 2018-38

The NSW State Infrastructure Strategy 2018-2038 sets out the NSW Government's infrastructure vision for the state over the next 20 years, across all sectors. It sets out a process and timeline for ensuring that all areas of state investment in infrastructure are guided by coordinated plans to achieve sustainable growth in the NSW population and economy – aligning investment in infrastructure with the way we build our communities and achieve innovation in service delivery. The strategy is underpinned by the Future Transport Strategy 2056, the Greater Sydney Regional Plan and the Regional Development Framework.

The State Infrastructure Strategy outlines the NSW Government's plan and priorities to leverage the benefits of the Inland Rail project and ensure its integration with relevant investments and initiatives underway. A key focus for NSW is to ensure that Inland Rail supports the State's primary industries by optimising the safe and efficient movement of freight to ports and gateways. Inland Rail seeks to deliver efficient links to these gateways and facilitate development of economically sustainable freight hubs – operated by the private sector – at appropriate locations along the route.

The State Infrastructure Strategy emphasises the importance of 'joined up' planning and delivery of infrastructure. When combined with the Future Transport 2056, NSW Freight and Ports Plan 2018-23 (FPP), Regional Plans across the state and Regional Economic Development Strategies, the State Infrastructure Strategy gives the NSW Government a fully integrated land use and infrastructure plan.

The State Infrastructure Strategy recognises that different parts of NSW face different opportunities and needs. The NSW Government reflects this diversity by setting geographic directions for infrastructure planning, investment and policy. Regional NSW needs to be supported by good transport links to key markets by leveraging Inland Rail and upgrading east-west links. Freight productivity has been identified as an ongoing challenge for the state. Identified areas for improvement include increasing safety and resilience, removing restrictions along key corridors, and solving 'last-mile' challenges and access restrictions on local roads. Successfully addressing these challenges will have a substantial, highly positive impact on the State's future; growing the NSW economy by increasing productivity, participation and generating significant additional employment.

The NSW Government is continually developing and refining its valuable service networks by improving road and rail access for goods and services to local, national and global markets, leveraging the Commonwealth Government's Inland Rail investment and addressing existing inefficiencies and pinch points.

The NSW Government's SAP program draws on both the State Infrastructure Strategy and the 20-Year Economic Vision by adopting a targeted, place-based approach to infrastructure planning and investment that enables access to markets for regional industries, drives industry competitiveness and business and jobs growth.

NSW Freight and Ports Plan 2018-23

Through Transport for NSW (TfNSW), the NSW Government adopts a full end-to-end supply chain approach to planning the integrated freight system and to customer delivery for freight in NSW. While the Inland Rail Project is being delivered by ARTC, it is an enabler for many of the initiatives identified in Future Transport 2056 and the NSW Freight and Ports Plan 2018-23 (FPP). The NSW Government recognises that key freight customers include the farmers, manufacturers and miners who employ people, as well as the importers who provide goods to people in our local communities. Further, critical freight customers include the forwarding, brokering, terminal, warehousing and other logistics operating businesses that manage and facilitate freight flows.

Over the next 40 years, strategic freight forecasts show freight volumes in NSW are expected to grow by 28 per cent. In regional NSW, freight is forecast to grow by 13 per cent and in Greater Sydney by 50 per cent. By 2056, the freight task in Sydney is expected to double and in regional NSW growth is forecast to be 25 per cent. The FPP, released in September 2018, sets out the initiatives to meet the rising NSW freight challenge through an end-to-end freight supply chain customer approach.

Under the FPP, the NSW Government aims to deliver greater supply chain efficiencies by investing and enabling regional growth and supporting the delivery of Inland Rail. The FPP will ensure the project maximises the movement of freight in regional NSW and to ports and gateways with a focus on regional activation.

Economic growth

Economic growth is a key objective of the FPP. The State also acknowledges its role in the national economy, supporting the movement of goods between states and to trade gateways. Economic development benefits identified in the Future Transport Strategy 2056 and FPP include:

- Improved reliability and certainty of transit times for NSW producers
- Opportunities for regional investment and to promote investor confidence in the State (for example, Inland Rail freight and logistics benefits to the SAPs and regional industry)
- Improved access for regional markets providing greater opportunities for trains to travel between networks and maximise infrastructure use. North/South East/West links will open freight pathways to new and existing markets for NSW producers both internationally and domestically
- Investment in the NSW Regional Rail Network through initiatives such as the \$400 million Fixing Country Rail program to upgrade branch lines to 25 tonne axle loads (consistent with main line and Inland Rail service offerings), support higher productivity train operations, improve train cycle times and incentivise industry investment
- Delivering additional network capacity on the Main West rail line from Lithgow to Parkes and Dubbo to meet forecast growth on the corridor, improve connectivity to Inland Rail and access to the Parkes SAP
- Establish the maintenance depot for the new Regional Rail passenger fleet in Dubbo, providing local economic stimulus and increasing the rolling stock maintenance skills offered in regional NSW
- Reduced freight costs for freight rail operators and their customers within NSW by way of per tonne efficiencies from upgrading existing track and improving connectivity
- Improved opportunities for supply chain transformation with new freight pathways, lower costs and greater reliability and access to current and emerging markets.

Efficiency, connectivity and access

New and improved intermodal terminals can increase the use of the rail freight network where there is sufficient freight generated to provide a baseload for the train service and support the terminals. While government 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.

One of the primary actions in the FPP is supporting the delivery of Inland Rail to optimise the movement of freight in regional NSW and to ports and gateways. The NSW Government will support the Commonwealth Government's delivery of Inland Rail as stated in the NSW Freight and Ports Plan 2018-2023 by:

- Ensuring the project optimises the movement of freight in Regional NSW, and to ports and trade gateways
- Strengthening governance, reporting and performance requirements across the entire NSW ARTC leased network.

Improving connectivity across NSW

A key NSW Government priority for Inland Rail is to continue integrating this once-in-a-lifetime investment with our broader freight networks, including rail and road, to more efficiently move regional produce to international markets via our ports and airports. This includes working with the Commonwealth Government and ARTC to ensure Inland Rail delivers better east-west connectivity across the state, in addition to the important north-south corridor directly linking NSW to both Melbourne and Brisbane. This ambition is critical to ensuring the project's benefits are widespread, including more jobs and investment in key sectors such as agribusiness and resources.

Accordingly, as part of the negotiations with the Commonwealth Government and ARTC, NSW is advocating for improved connectivity between Inland Rail and the National Land Transport Network, including the Country Regional Network. The NSW Government executed the Bilateral Agreement with the Commonwealth Government on the basis that there are no adverse implications for NSW, including access to the State's ports and logistics networks. This is one of the guiding principles of the Bilateral Agreement and the NSW Government welcomes additional Commonwealth funding support to further connectivity outcomes.

NSW has identified opportunities for the Commonwealth Government to support improved connectivity enhancements to allow for existing freight to be moved more efficiently and enable the regions to harness and grow business opportunities, consistent with the principles and objectives of the Bilateral Agreement. The NSW Government is currently reviewing connectivity opportunities and seeking enhanced ARTC and Commonwealth Government support for delivery of infrastructure at key locations. These include:

- *Albury*: Further development of the Ettamogah industrial precinct and rail hub will be enabled following a Fixing Country Rail investment in a siding extension at the intermodal terminal. Long, interstate trains, including those operating on the Inland Rail corridor will be able to stop to service the intermodal terminal without impeding the through movement of freight on the Sydney – Melbourne and Inland Rail lines. This investment is complemented by an investment in new ramps at the Davey road interchange on the neighbouring Hume Highway.
- *Baradine*: The Inland Rail Interface Improvement Program is investigating the economic viability of connecting the existing GrainCorp site at Baradine to the Inland Rail corridor.
- *Camurra*: The junction with the Weemelah line will provide access south towards Moree. The northern connection is to be considered for future proofing by planning and acquiring the land through the Inland Rail Project.

- *Curban*: The Inland Rail Interface Improvement Program is investigating potential economic benefits from upgrading the existing rail line between Gilgandra and Coonamble to 25 tonne axle loads to align with the service offering of Inland Rail.
- *Junee*: Reinstatement of the North fork at Junee should be considered for delivery. Design work for this project has been funded by the Fixing Country Rail Program. Delivery of the work will improve Sydney – Melbourne and Inland Rail operations as well as improving access to Port Kembla and Sydney for freight from the Riverina.
- *Narromine*: Connectivity is being considered from Inland Rail towards Dubbo via Narromine and Nevertire via new triangle junctions at Narromine. This is not being delivered as part of the Inland Rail Project. Connectivity is also being considered to include an upgrade of the Dubbo to Narromine line to 25 tonne axle load to provide for interoperability. Narromine Shire Council is working with the Department of Regional NSW to explore connectivity opportunities for the region.
- *Stockinbingal*: A connection from Temora towards Parkes is required at Stockinbingal to support the movement of grains and other produce from the region. It will also support mode shift for freight from the Riverina, enabling it to move North by rail. A connection from Illabo to Cootamundra should be considered for corridor protection, along with a passing loop between Stockinbingal and Cootamundra.
- *Silos and other loading points*: The ability to retain full access to existing, operational silos and other facilities (for example, Linx at Forbes and Bomen, and Qube at Harefield) along the corridor is critical to support freight movements. This includes supporting the extension of sidings for loading to ensure mainline operations are not impeded. It is noted that funding from Fixing Country Rail and the Commonwealth Government has supported the relocation of shunting operations from the main line at the Ettamogah Rail Hub.

Capacity

The capacity objective focuses on infrastructure investment and improved infrastructure and land use optimisation to accommodate growth through effective local freight planning. The NSW Government leverages other benefits for the State, including Commonwealth Government funding for investigation of or commitment to a number of infrastructure projects that focus on improving rail freight capacity for Regional NSW. Currently committed initiatives include:

- Port Botany Duplication
- Cabramatta Loop (Amplification of the Southern Sydney Freight Line)
- Main West Rail Line Capacity Enhancements
- Country Regional Network Improvements and Fixing Country Rail, and
- Newell Highway Upgrades (Parkes Bypass (Including Hartigan Avenue Bridge)).

Sustainability

Development of the Inland Rail project aligns with NSW Government objectives for environmentally sustainable transport solutions. It is proposed Inland Rail may contribute to a more sustainable solution through better use of high productivity vehicles to intermodal terminals, opportunity to shift to low emission locomotives, and longer, denser trains. This is achieved by the potential reduction of heavy vehicles from local road networks, resulting in reduced road congestion, fewer emissions and less noise.

A more sustainable supply chain is likely to deliver benefits to our environment and continued operations into the future. Success is represented by net reductions in freight emissions and noise. Additionally, the NSW Government works to protect land needed for freight and logistics uses and infrastructure, including Inland Rail. Other NSW Government funding for environmental projects may result in the start of new biomass industries that can contribute to lower greenhouse gas

emissions. Working in partnership with ARTC, the NSW Government ensures transport planning accommodates the growth of the freight task and protects community amenity.

Safety

The NSW Government is committed to creating a safe freight supply chain, involving safe networks, safe transport, safe speeds and safe people. By contributing to a reduction in the proportion of the freight task moved on road, Inland Rail is also expected to lead to a reduction in the growth of truck movements and in turn a reduction in the number of fatal and serious injury crashes that may otherwise have occurred.

Inland Rail will see an increase in train frequency, speed, and length. With the forecast increase in freight growth along the Inland Rail corridor there will be an increased risk profile for the interaction between road and rail traffic at level crossings, and a risk of reduced road freight efficiency.

The NSW Government, in the Road Safety Plan 2021, has set an aspirational target of zero fatalities and serious injuries on NSW roads by 2056. The new railway corridors may introduce new risks to road users at the proposed new level crossings.

The NSW Government has adopted the Safe System approach in planning and operating the road network. Grade separation between Inland Rail and Classified road interfaces will assist in achieving improved road safety outcomes, as well as providing freight efficiency gains.

There are 22 remaining classified road interfaces with Inland Rail in NSW at level crossings where ARTC has advised there is no funding to provide grade separations. Current policy is to avoid building new level crossings of public roads wherever possible given their inherent risk profile. The NSW Government position on Inland Rail interfaces is that:

- Inland Rail interfaces with State Classified Roads are to be grade separated
- New Inland Rail interfaces with the Regional Classified Roads are to be grade separated
- Existing Inland Rail interfaces with the Regional Classified Road are to be assessed by an agreed model determining final treatment.

As a direct result of the Inland Rail Project private level crossings in NSW are being rationalised. TfNSW in agreement with landowners and ARTC is working to close unnecessary crossings delivering immediate safety benefits for communities and rail operators. As part of the Parkes to Narromine section of Inland Rail, which was commissioned in September 2020, fourteen private level crossings (as well as a single public level crossing) were closed.

Support for regional jobs and industry

Australia's Inland Rail project will make it easier for freight to move from farms, mines and ports to national and overseas markets. Once completed, ARTC estimates the project will facilitate two million tonnes of agricultural freight to switch from road to rail, with a total of 9.9 million tonnes of agricultural freight more efficiently diverted to Inland Rail. The new and upgraded freight infrastructure will reduce transit times between Melbourne, Brisbane and regional markets with far higher safety and reliability. As a result, it is expected to create thousands of FTE jobs and grow Australia's economy by over \$16 billion over its first 50 years of operation. The NSW Government is working with the Commonwealth Government and ARTC to ensure the benefits of the Inland Rail project are maximised for the state.

The Inland Rail project is a fully funded Commonwealth Government initiative to be delivered by ARTC in support of the projected national growth in freight over the next several decades. The planned route is about 1,700 kilometres between Melbourne and Brisbane of which 1,047 kilometres will be located in NSW. It will require 475 kilometres of upgrades to existing tracks and 399 kilometres of new tracks in NSW.

Expected economic benefits for regional NSW

The 2015 Inland Rail business case outlined significant national benefits for both Gross Domestic Product (GDP) and employment. The project was expected to increase Australia's GDP by \$16 billion over the 10-year construction period and first 50 years of operation. During construction it was expected to create 16,000 new FTE jobs, and an average of 700 FTE jobs per year over the entire project. Benefits include freight user benefits, community safety and sustainability and a significant residual value of infrastructure assets. The 2016 Infrastructure Australia project evaluation assessed the solution would provide net positive benefits to the Australian economy. More recent estimates now predict 21,500 jobs at peak construction between Melbourne and Brisbane and an economic boost of more than \$18 billion.

Economic modelling prepared by Ernst & Young (EY) and published in March 2020 identified significant benefits from the Inland Rail project across regional NSW. Opportunities were linked to coordinated support from NSW Government projects such as SAPs and private sector projects identified in the *20-year Economic Vision for Regional NSW* (noting that the full inputs, assumptions and methodology or results of the EY study have not been assessed by the NSW Government). Northern NSW benefits of the EY study included 250 to 470 new FTE jobs following commencement of operations and an increase in Gross Regional Product of \$140 to \$360 million. Identified short-term opportunities were an abattoir expansion and an intermodal freight hub for Dubbo/Narromine. Medium and longer-term opportunities included a grain mill, mining and food processing support hubs, an expanded logistics hub and increased consumer goods warehousing. Southern NSW benefits published by EY included 470 to 910 FTE jobs and an increase in Gross State Product of \$300 to \$850 million following commencement of operations. Significant opportunities were identified for Southern NSW including cotton, food and almond processing; Inland Rail and rail logistics hubs; flour mill, airport and manufacturing expansions and consumer goods warehousing. Medium and longer-term opportunities included a grain mill, a canola oil crushing plant, recycling plant, consumer goods warehousing and expansions to food processing hubs, the beef abattoir, regional airports and the grain mill.

The EY report credits NSW Government programs as examples of government and business working together to address barriers and maximise the opportunities presented by Inland Rail. The \$2 billion NSW Regional Growth Fund is credited for supporting investment in regional infrastructure and services for regional hubs. The \$100 million Regional Job Creation Fund, the \$30 million NSW Regional Investment Attraction Fund and grants for businesses and skilled workers relocating to SAPs are commended for incentivising growth along the Inland Rail corridor

and attracting major firms. Private investors have already commenced planning and construction to position themselves to be strategically ready for the commencement of Inland Rail operations. Examples include a Newell Highway service centre north of Forbes and the Pacific National Logistics Terminal in Parkes.

There is the potential for ancillary opportunities to be leveraged for regional NSW as a result of rail construction including wider socio-economic benefits, private sector confidence and investment in Regional NSW and adjunct projects such as SAPs.

Construction phase opportunities

Construction of the Inland Rail project is already supporting local jobs and boosting demand for regional businesses. 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 of Inland Rail. This employed an additional 30 people from the local region and engaged other local suppliers and contractors to complete associated works.

Additionally, the Parkes to Narromine project used 200,000 concrete sleepers manufactured at Braemar near Mittagong creating 20 new FTE jobs in the Southern Highlands region. During the construction of the Parkes to Narromine project 762 local residents worked on the project; 197 workers were local and Aboriginal. 99 local businesses also supplied to this project, of which nine were Aboriginal businesses. ARTC procurement activities are ongoing for the remaining six NSW based projects and additional information regarding Inland Rail Supply principles and commitments can be seen on their website.

Supporting Aboriginal participation

ARTC is responsible for promoting and enabling regional and economic growth opportunities for local businesses during construction phase, including Aboriginal businesses. The initiatives identified include sustainable training and employment, with a focus on local and Aboriginal employment to bolster regional economies and provide jobs outside of metropolitan areas. The NSW Government and other key Commonwealth Government stakeholders have supported this work.

Prior to and during construction, the NSW Government is engaged in business readiness and capability building for local and Aboriginal businesses to bid for and win work in the supply chain of the proponent for each Inland Rail Project stage. This includes identifying opportunities for sustainable training and employment with a focus on local and Aboriginal employment policies. This approach is guided by the Commonwealth Government's Indigenous Procurement Policy and NSW Government's Infrastructure Skills Legacy Program.

NSW Government departments have established and led the Aboriginal and Local Industry Participation Working Group. This working group is optimising opportunities for local businesses and industry to participate in the supply chain and to maximise employment outcomes for residents. Specific examples include engagement across the Local Government Areas (LGAs) of Gwydir, Moree and Narrabri. Further actions aim to identify and progress opportunities to provide additional support mechanisms to generate a targeted talent pipeline to fill skills gaps across the LGAs.

Mobile blackspots

There are significant opportunities for ARTC to consider mobile blackspots in the design, commissioning and construction of the Inland Rail project. Reliable and high-quality mobile coverage is essential for driving economic growth via new jobs and population. NSW Government

analysis has shown that outside of regional towns, this coverage is still poor or non-existent for large parts of regional NSW.

The Department of Regional NSW is working with ARTC to investigate opportunities to leverage the significant expansion of the rail corridor network in regional NSW to support delivery of the Regional Digital Connectivity Program, including delivery of new fibre networks. Rail corridors provide significant opportunities to install large-scale digital connectivity

The NSW Government has also commenced a project to improve mobile coverage along regional rail corridors for customer and operational benefits. This includes developing and implementing remediation solutions to address poor coverage along the Albury to Illabo section of the Inland Rail project.

Floodplain management

The NSW Government is working with ARTC to resolve floodplain management issues along some sections of Inland Rail. For example, the Narrabri to North Star and North Star to Border sections of Inland Rail cross the Border Rivers and Gwydir floodplains and risk altering flood behaviour if risks are not appropriately mitigated.

During consultation on draft Regional Water Strategies, stakeholders raised concerns that Inland Rail infrastructure may result in significant alteration to overland and floodplain flows during flood events in comparison with existing conditions. This alteration to flows will change flooding risks and lead to potential impacts on downstream infrastructure, Aboriginal cultural sites and water dependent species, biodiversity and communities. As State Significant Infrastructure, Inland Rail does not require a flood work approval.

Community consultation undertaken to develop the Border Rivers Floodplain Management Plan similarly identified potential flood impacts arising from Inland Rail development as a key concern amongst both landholders and interest groups. The NSW Government looks forward to reaching a satisfactory resolution with ARTC to ensure that the modelling used in the North Star to Boggabilla portion of Inland Rail is aligned with the intents of the Border Rivers Floodplain Management Plan.

Long-term economic benefits for engine industries

Immediate sectoral opportunities of Inland Rail will benefit bulk commodities, including agricultural, forestry, mining, manufacturing and infrastructure delivery. The project also benefits consumers by connecting mainland states with a more competitive transport network. Most importantly the project provides better access to and from regional NSW markets with freight from ports, mines and farms moved off regional roads and onto rail. Infrastructure delivery opportunities will also make it easier for freight to reach large regional projects, such as the four SAPs and the development of renewable energy and storage in NSW's Renewable Energy Zones (REZs).

Freight and logistics

The 20-year Economic Vision for Regional NSW identifies freight and logistics as a key engine industry. In 2018, the freight, logistics and distribution sector in regional NSW contributed \$6.4 billion to the NSW economy. With the construction of the Inland Rail, NSW's multi-modal network for transport infrastructure will receive a significant boost in productivity. This will create opportunities for private sector investments, such as fleet upgrades, new regional terminals and integrated freight precincts.

Since the announcement of the Parkes SAP, which derives its strategic advantage from the location at the junction of Inland Rail and the east-west rail corridor between Sydney and

Adelaide/Perth, the freight and logistics industry has announced further private sector investment. Leading rail operators SCT Logistics and Pacific National have invested in intermodal terminal capacity within the SAP.

The Inland Rail project will also provide more cost-effective transport options for the Wagga Wagga, Moree and Narrabri SAPs currently under investigation. In turn, this is likely to make value-added manufacturing, recycling and waste-to-energy projects more competitive and sustainable. Time efficient transport along the North-South transport links will allow for the development of new produce and product types, as will linkages to East-West transport systems. Ultimately the combination of these benefits will allow for different employment pathways within the state's regions. Reduced road freight through regional towns will also improve safety for pedestrians and other road users.

Agriculture

Lower freight costs are expected to increase the returns to farmers or allow for lower prices for consumers, triggering increased investment in farm infrastructure and securing the productive future use of the land. Regional communities rely on agriculture as a source of employment and increased investment in primary industries flows directly to stronger downstream businesses. This includes machinery businesses, fuel suppliers, agronomists and fertiliser providers. Inland Rail will contribute to cheaper transport allowing for agricultural businesses to provide new benefits and opportunities for local communities.

The Inland Rail project passes through some of the State's most productive land when considering purely biophysical attributes. The identification and continued agricultural use of this highly productive land is necessary to ensure Inland Rail continues to provide the maximum benefit. For example, the NSW Government is leading a project mapping the State's important agricultural land with additional consideration being given to land that should be given a level of protection to support its ongoing use for agricultural purposes.

Forestry

Opportunities for greater connection of forest residues and woody crops to processing and bioenergy production are being supported by NSW Forests through the \$34 million NSW Forest Industries Innovation Fund loan scheme. Through this scheme, the NSW Government is committed to driving sustainable growth across NSW forestry industries and provides long-term low-interest loans to projects that contribute to supporting industry innovation and the exploration of new markets for forest products.

The Inland Rail project also provides potential for agricultural residues, short rotation woody crops (plantations) and cypress forest residues to support regional farming enterprises earn income and achieve carbon neutrality through biomass. For instance, value-adding businesses at intermodal facilities provide a real opportunity to increase the returns to the regional communities, and the value of product being freighted. The waste from these value-add processes could then be used as an input supporting circular economies in these regions.

Resources

Inland Rail would deliver greater transport options for nearby mines (existing and future) to get their products to market and to get inputs that mines require for their operations and supply chains. For this reason, it could boost the viability of potential future mines in neighbouring regions, particularly in localities of West Wyalong, Dubbo, Parkes and Narrabri. The sourcing and procurement of materials used in the construction and maintenance of the project could create opportunities for quarry operators close to the rail alignment. Inland Rail will not solve water

availability challenges constraining some mines in the central west, but will provide more options for infrastructure access.

Emerging opportunities in critical and technology minerals in regional NSW may be supported by the Inland Rail, across the supply chain. Parkes SAP is situated at the intersection between the Inland Rail and the Trans-Australian Railway, in addition to its proximity to existing, approved and potential mining developments in the Central and Far West. This offers opportunities to connect extraction activity to value-added processing potential, with connection to major ports for export.

Investments to leave a legacy for regional NSW

Regional NSW is Australia's largest and most diverse regional economy. The regions host one third of NSW's population and produce around one fifth (\$125 billion) of Gross State Product. Regional NSW is characterised by its diversity, with every area having unique natural assets, capabilities and economic strengths. Through strategic investment and partnership with governments, industry and the community, the NSW Government is committed to unlocking regional NSW's economic potential and creating the jobs of the future.

Inland Rail creates new opportunities for industries in regional NSW to continue to grow and prosper. Engine industries, particularly freight and logistics, mining and primary production, stand to benefit from the increased capacity and efficiency of Inland Rail. This has the potential to increase investment in regional NSW, create new jobs and increase these sectors' contribution to Gross State Product.

The NSW Government supports vibrant, sustainable economies in regional NSW, including by:

- building resilient regional economies and communities
- delivering infrastructure on supporting transport networks to meet future needs
- strengthening primary industries
- managing the use of our valuable regional land
- overseeing the state's mineral and mining resources
- ensuring that government investment into regional NSW is fair and delivers positive outcomes for local communities and businesses.

To drive regional economic development the NSW Government partners with the Commonwealth Government and local governments and collaborates with external stakeholders to capitalise on opportunities and maximise impact. This work is guided by the Regional Development Framework, *The 20-Year Economic Vision for Regional NSW* and the place-based and portfolio-based strategies that sit beneath these.

Special Activation Precincts

The NSW Government has announced SAPs as an investment priority for the \$4.2 billion Snowy Hydro Legacy Fund. SAPs provide attractive locations and conditions for targeted industries to invest in regional NSW. SAPs unlock economic growth through:

- Fast track planning
- Infrastructure investment, including road and rail
- Government-led studies
- Government-led development
- Business concierge services.

In recognition of the transformative opportunities for local engine industries, four of the six SAP locations announced by the Government (Wagga Wagga, Parkes, Moree and Narrabri [under investigation]) fall on or near Inland Rail. The precincts will create jobs, attract businesses and investors, support local industries and fuel economic development. This is part of the NSW

Government's plan to ensure regional NSW is well placed to grow and meet future economic needs.

Each of these precincts includes private sector investment in current or future road/rail intermodal facilities to provide improved access to markets include trade gateways in NSW at Newcastle, Port Botany, and Port Kembla and access to ports in Brisbane and Melbourne. The four SAPs created or being investigated along the route are further supported by Business Development Managers that have worked with councils (Forbes, Parkes, Narromine, Dubbo, Gilgandra shires) to explore and identify economic development opportunities including the following:

- Business establishment and expansion opportunities
- Infrastructure legacy requirements
- Development of employment and training pathways
- Employment expansion.

An overview of each Inland Rail SAP is provided below.

Moree

The Moree SAP is being investigated to create a thriving business hub that will take advantage of its location in the middle of the most productive grain region in Australia, leveraging the Inland Rail route and Newell Highway. The Precinct would create a new business hub that specialises in agribusiness, horticulture, logistics, food processing industries and renewable energy.

The Moree SAP site includes existing rail freight terminals and private sidings operated by GrainCorp, Manildra, and Louis Dreyfuss and Broadbents. Improved connections and further developments are being considered as part of the Narrabri to North Star Project within the Inland Rail program to capitalise on the strategic location Moree offers to the freight and logistics industry.

Additionally, the Inland Rail Interface Improvement Program is investigating potential economic benefits from:

- Border Regional Organisation of Councils for a review of rail infrastructure connectivity in the Goondiwindi region
- Moree Plains Shire Council for improving connections to the Moree Intermodal Park
- Moree Plains and Gwydir Shire Councils for road connections and rail spur work around Croppa Creek.

Narrabri

The NSW Government has announced an investigation into a potential SAP in Narrabri. This would build on the approval of the Narrabri gas project and industry's ability to capitalise on access to Inland Rail. For a potential Narrabri precinct this means energy-intensive industries and manufacturers, such as aluminium and construction material producers, could confidently set-up in Narrabri, have access to commercial quantities of domestic gas, and create new jobs for the region. A Narrabri precinct would be a thriving energy hub that will target industries including:

- Value-added production
- Manufacturing
- Freight and logistics.
- It will also leverage key infrastructure such as Inland Rail to give investors access to global supply chains and markets.

Additionally, the Inland Rail Interface Improvement Program is investigating potential economic benefits from increased connectivity between the Narrabri Council's proposed intermodal terminal and Inland Rail. These connections would provide a direct link from the CRN's Walgett branch line to Inland Rail without having to operate through the Narrabri Township. Connection to the Walgett line is to be considered to enable trains from the line to access Inland Rail as well as the Port of

Newcastle and Sydney. The Walgett line supports a proposed intermodal terminal at the Narrabri Northern Inland Port which has received grant funding.

The Walgett line is also being considered for upgrade to support 25 tonne axle load rail operations to support connectivity and interoperability with Inland Rail and overcome the need to light load high capacity rail wagons.

Parkes

Covering an area of 4,800 hectares, the Parkes precinct will take advantage of its location at the only junction of Australia's two rail spines, Inland Rail and the Trans-Australia Railway. Already home to the National Logistics Hub, the precinct's location will provide suppliers access to 80 per cent of Australia's markets within 12 hours by road or rail, allowing local products to be delivered across Australia and around the world. Building on already-planned private and government investments, the precinct will create up to 3,000 FTE jobs across a range of industries, including:

- Freight and logistics
- Resource recovery
- Value-added agriculture
- Renewable energy.

The precinct will have a focus on sustainability as Australia's first UNIDO Eco-Industrial Park, where businesses will work together to achieve environmental, economic and social efficiencies through onsite energy-generation. Full connectivity has been provided to the existing terminals at Parkes and the East-West rail corridor with links to Sydney and Perth. SCT Logistics, Linfox and Pacific National all operate rail terminals within the SAP, while GrainCorp has a major sub-terminal to the east of Parkes.

Wagga Wagga

The Wagga Wagga SAP covers an area of approximately 4,500 hectares, including 300 hectares already developed as part of the Bomen Business Park. Wagga Wagga's highly accessible location, courtesy of its rail and road connectivity with Australia's major cities, creates incredible growth opportunities for existing businesses and new investors in the region. The precinct will incorporate the Riverina Intermodal Freight and Logistics (RiFL) hub to create faster and easier access to national and international markets for regional producers. Building on already-planned private and government investments, the precinct will create up to 6,000 new FTE jobs across a range of industries, including:

- Renewables
- Low or no emissions fuels (hydrogen)
- Sustainability and recycling
- Advanced manufacturing
- Value-added agriculture; and
- Freight and logistics.

The Bomen Business Park is already home to a range of businesses including food manufacturers and transport companies. These existing organisations, plus new investors can benefit from the precinct and make it easier to do business Australia-wide and across the world.

Other priorities

Albury Regional Jobs Precinct

Regional Job Precincts will provide tailored planning support to help fast-track approvals to drive growth, investment and development opportunities within regional NSW. This initiative was

announced in early 2021 as an extension of the Special Activation Precinct program, with the first identified location in Albury along the Albury to Illabo alignment of Inland Rail.

The NSW Government will work closely with Albury City Council to identify ways to improve local planning processes, providing regional communities, industry and businesses greater confidence around future investment in regional NSW.

The initiative will leverage the opportunities associated with the NEXUS Industrial Precinct to create a hub of manufacturing, agribusiness and freight services and create more jobs for the region. The precinct will also build on the work already done as part of the Albury-Wodonga Regional Deal.

The Department of Regional NSW will work with the local council, local businesses and communities to identify gaps and opportunities to improve local planning processes before developing a plan of action to unlock investment and growth opportunities, delivering stability and creating jobs for communities across the Albury region.

ARTC Lease Negotiation

Negotiations between ARTC and the NSW Government for the new 99-year lease on rail freight assets are progressing with the majority of matters agreed. Whilst progress has been made primarily on delivery focused issues, other connectivity, commercial and performance issues are still in discussion and will take time - therefore negotiations are likely to continue through 2021. There are three long term leases to be negotiated, one covering regional NSW and two in the metropolitan area.

The focus of TfNSW's approach to the lease negotiations is to ensure that ARTC is bound to deliver performance outcomes critical to NSW. Key areas to resolve include:

- managing the asset competently to ensure asset condition is maintained over the term of the lease
- providing asset condition and network operations to support the reliability and quality of passenger service over the term of the lease, and
- conditions around rights for NSW to take back land not needed for ARTC rail operations

Fixing Country Rail

Fixing Country Rail is a \$400 million NSW Government program providing targeted infrastructure funding from Restart NSW for regional freight projects. Fixing Country Rail improves capacity, access, efficiency and reliability by upgrading parts of the regional rail network. Existing NSW Government funding announcements related to Inland Rail include a major upgrade of the Junee to Griffith line to support 25 tonne axle load operations, new or extended sidings at Ettamogah and Bomen, work at Narromine and business cases to support other initiatives including the reinstatement of the Junee triangle northern connection.

Inland Rail Interface Improvement Program

The Commonwealth Government has committed funding to an Inland Rail Interface Improvement Program to maximise connections to the national freight rail network. This program supports more productive rail-based supply chains and improvements to capacity on key country rail lines that intersect with Inland Rail.

The NSW Government has collaborated with the Department of Infrastructure, Transport, Regional Development and Communications (DITRDC) to ensure the NSW projects are prioritised and that relevant business cases are developed.

On 13 April 2020, the Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development announced the successful proposals under the first round of expressions of interest.

The NSW Government was a successful proponent for two projects: Stockinbingal to Griffith Upgrade and the Narromine to Dubbo Upgrade. A complete list of proposals, inclusive of the 12 proposals in NSW currently undergoing the development of feasibility studies, and SBCs are available on the DITRDC website under Project proposals.

Round 2 submissions closed on 18 September 2020 and TfNSW submitted three Expression of Interest proposals for consideration including:

- Upgrade of Signalling Infrastructure at strategic locations on the CRN.
- Completion of the Maryvale to Gulgong section at 25 total axle load on the Sandy Hollow to Maryvale line.
- Strategic network interface improvements between the CRN and ARTC Network including Inland Rail across NSW.

DITRDC is expected to announce the successful proposals under the second round in early 2021.

Future opportunities

The Commonwealth Government could consider fast-tracking additional delivery funding for high potential projects in the Inland Rail Interface Improvement Program at the Parkes, Wagga Wagga, Narrabri and Moree SAPs. This would help to promote investor confidence through potential and significant freight and logistics benefits offered by SAPs located strategically along Inland Rail.

As part of the 2020-2021 budget, the Commonwealth Government announced \$150 million for new grade separations along the alignment in Regional NSW with a co-contribution of \$37.5 million from the NSW Government. This funding is to provide grade separated interfaces in addition to the four grade separated interfaces already proposed by ARTC as part of the Inland Rail Project in NSW and is expected to support 420 direct and indirect FTE jobs. Further funding of this type would help to improve the safety of rail crossings across the Inland Rail route.

Engagement with regional communities

Ensuring ongoing engagement with regional communities impacted by Inland Rail is critical to the project's success. The NSW Government's engagement with regional communities on this project is informed by the shared principles of engagement agreed on with the Commonwealth Government in respect of this project. These include collaboration, cooperation, transparency, consultation, sharing information and good will, value for money, and ongoing regulatory and legislative compliance.

The NSW Government engages with key stakeholders in regional communities in several ways to identify opportunities both from the construction of Inland Rail, and then when it becomes operational.

The key construction stakeholders include:

- Local Council General Managers, Mayors and Economic Development Managers/Officers for Local Government areas in proximity to the Inland Rail alignment
- NSW Government Departments and Agencies delivering or supporting regional economic development and growth, such as the Department of Regional NSW, Training Services NSW, and Aboriginal Affairs NSW
- Commonwealth Government Departments and Agencies delivering or supporting regional economic development and growth, such as the DITRDC, National Indigenous Australians Agency, CSIRO, and the Department of Education, Skills and Employment
- Local Aboriginal Land Councils
- Other organisations include the NSW Business Chamber, AusIndustry, Regional Development Australia, Indigenous Business Australia, Job Actives, Aboriginal Employment Strategy, and the Industry Capability Network.

Managing the influx of a large, temporary construction workforce may have impacts on local health, education and other services for sites across regional NSW during the construction of Inland Rail. Other community focussed issues such as grade separation between roads, level crossings, overpass bridges and the track used for Inland Rail are also likely to increase as the project progresses. The NSW Government has worked with councils and ARTC to anticipate these opportunities for community consultation, including workforce accommodation in regional towns. The Government has also encouraged local procurement options to ensure that fly-in fly-out or drive-in drive-out labour hire companies do not receive preference over local employment. Particular focus has been placed on ensuring local businesses are better placed to tender for higher tier construction contracts and maintain momentum once the project ends.

For the anticipated post-construction strategic opportunities, the primary purpose of engagement is enabling improved connections to current and new markets and the infrastructure that is required to deliver these benefits.

The key post-construction stakeholders are:

- Local Council General Managers, Mayors and Economic Development Managers/Officers for Local Government areas in proximity to the Inland Rail alignment. The NSW Government supports these stakeholders through provision of Subject Matter Expert advice for Fixing Country Roads Technical Panels, SAP project working groups, Corridor Strategies, and the Department of Planning Industry and Environment (DPIE) regional plans.
- Freight transport operators and industry representatives will be engaged through established forums including the Freight and Logistics Advisory Council, Rail Freight Industry Group, and the Road Freight Industry Council.

Specific to Inland Rail, the NSW Government is an observer on the independently chaired Community Consultative Committees. These are forums established by DPIE to raise local issues and incorporate these into the design and planning approvals for Inland Rail. These committees include members of the community and council representatives, business owners, farmers and ARTC. The committees are set up in accordance with government guidelines. A key objective of these meetings is to collaborate with locals and source their content.

The NSW Government is also represented on a range of stakeholder and reference groups, including the Inland Rail Social Outcomes Advisory Group and the NSW Inland Rail Government (NIRG) Reference Group. These groups identify employment and training opportunities during construction along the Inland Rail corridor. Groups are also exploring how local businesses can be better positioned to tender as Tier 2 businesses to the Tier 1 businesses that win lead contracts. The NSW Government also provides specialised Business Development Managers for regional areas that have worked with councils (Forbes, Parkes, Narromine, Dubbo, Gilgandra shires) to explore and identify economic development opportunities including:

- Business establishment and expansion opportunities
- Infrastructure legacy requirements
- Development of employment, upskilling and training pathways
- Employment expansion.

Examples include provision of training for farmers to obtain tickets or licences to take up job opportunities on Inland Rail construction and works for Gilgandra Shire. The NSW Government has also encouraged the Ettamogah Rail Hub at Albury and the Riverina Intermodal Freight and Logistics hub at Wagga Wagga to be considered as potential access points onto Inland Rail for industry when considering expansion or relocation. Government will continue to engage with the major contractors, local community, Training Services NSW and Local Government regarding contracting opportunities.

Conclusion

Inland Rail is a landmark national infrastructure project that offers significant opportunities to NSW, particularly to its regional communities and businesses. The NSW Government is working to translate these opportunities into improved economic, community and social outcomes for the State's communities and businesses, particularly in regional areas. This includes ensuring that initiatives already in train align with the Inland Rail project where possible as well as identifying future opportunities to leverage this significant investment in national infrastructure.

To date, the NSW Government has invested significantly through direct rail, regional industry attraction and catalytic regional investment initiatives such as SAPs to support regional development. To ensure that support is provided where it is needed most, the NSW Government is continually monitoring these initiatives impacts and the effectiveness of service provision.

Given the opportunity of regional-led economic recovery from COVID-19 pandemic, the NSW Government will continue to work to harness the potential benefits and alleviate the potential challenges offered by the Inland Rail project for the State.