

Senate inquiry opening statement – Kerry Vine-Camp

I would like to provide a brief update to the Committee on the work the Department has been doing to support the Inland Rail project since our submission to the Committee in November last year.

The Department's submission outlined the benefits of Inland Rail and the role of the Department. This Department, along with the Department of Finance, has an oversight and assurance role over the Government's investment. We work in partnership with ARTC and ensure that the project is delivering in the national interest and that its benefits are being realised.

As you are aware, Inland Rail is one of Australia's largest civil engineering projects and, as a generator of 16,000 jobs, will play a key role in Australia's economic recovery from the COVID-19 pandemic.

The benefits are not just from construction and the direct operation of the new line. Inland Rail will provide wider regional benefits.

For producers, modelling shows an average savings of \$76 per tonne can be achieved for horticulture and post-processed food when shifted from road onto Inland Rail. The Department is doing further work with CSIRO to refine and expand this modelling over the next 12 months.

In March this year, the Department released an EY study on regional benefits of Inland Rail that found it could deliver up to \$13.3 billion in increased gross regional product for 103 local government areas either side of the alignment. There are regional investment opportunities in food, fibre, resources, manufacturing, transport and logistics that can be leveraged from Inland Rail's operations. We are already seeing some of this complementary investment in the Pacific National logistics hub in Parkes, industrial precincts in Toowoomba and Wodonga, and in Narrabri's plans for an inland port.

We are helping local communities identify these investment opportunities. We administer the \$44 million Interface Improvement Program that is helping councils, communities and industry make their case for projects that can enhance the connection to Inland Rail.

On 13 April 2020, the Deputy Prime Minister and Minister for Infrastructure announced the 16 successful proposals under the first round of expressions of interest. There are now 20 proponents working with business advisers to develop local ideas for projects that can enhance regional connections to Inland Rail and increase supply chain efficiency. The second round of expressions of interest will be open from 17 August to 18 September 2020.

We are also continuing to progress business cases for new intermodal terminals in Melbourne and Brisbane and we have had some good engagement with Victorian and Queensland officials in recent months.

Infrastructure can bring real opportunities but also have an impact on communities.

We acknowledge that communities wanted more and better information than what was provided in the early stages. To that end, the Department established regional offices in Wodonga, Dubbo, Moree and Toowoomba to enhance connections with local communities, businesses, industry and government.

Public safety remains the highest priority for the Government and ARTC. Throughout the project, there has been consideration of design options that can further reduce the risk of flooding as well as additional assurance processes to provide public confidence in the project.

In June this year, the Australian and Queensland governments established the Independent International Panel of Experts for flood studies in Queensland. The Panel will review the flood models and reference designs for the Queensland sections of Inland Rail to ensure that they comply with national guidelines and industry best practice. This work is about building community confidence and is in addition to the Queensland Government's EIS statutory approval processes. Reports from the Panel will be publicly available as they are completed.

And we are supporting the immediate review, requested by the Government, of a proposed route via Cecil Plains for the Border to Gowrie section. This alternative route has been raised by some local stakeholders, and the assessment is ongoing. The assessment will compare the proposed Cecil Plains route against the selected route to assess its ability to meet the business case requirements such as transit time, reliability, cost competitiveness and availability. The purpose of this assessment is to reassure the community that all potential routes have been duly and thoroughly considered and the Australian Government's significant investment in this nation-building infrastructure is well placed.

It is important that we continue to keep the competitive advantage of Inland Rail in mind throughout any reviews to the route – industry has told us it will only use Inland Rail if it can deliver on the service offering of 24-hour access between Melbourne and Brisbane. It is integral to the business case for the project.

As the nation looks to infrastructure as a path to economic recovery and resilience, Inland Rail will play a significant role to ease the pressure on the logistics sector and support road safety outcomes by moving more freight onto rail. It will future-proof supply chains for major industries, support employment and training and encourage regional investment for years to come.

I'm happy to take any questions.