



Submission to
Standing Committee
Infrastructure, Transport and Cities
by
RDA Hunter

Inquiry into options for financing faster rail



An Australian Government Initiative

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Mr John Alexander OAM, MP
Chair, Standing Committee Infrastructure, Transport and Cities
Australian Government

Email: ITC.reps@aph.gov.au

Inquiry into options for financing faster rail.
Regional Development Australia Hunter

Dear Mr Alexander,

Regional Development Australia (RDA) Hunter welcomes the opportunity to make a submission to the Standing Committee's inquiry.

RDA Hunter recommends examining international experiences of the delivery of high speed / faster rail projects by value-capture methods and the impact of high-speed rail on city and regional development; and reserving transport corridors.

RDA Hunter has been actively involved in this infrastructure and economic priority since 2011 when we formed a working party to help raise awareness of the economic development opportunities of a high-speed rail network for the Hunter, neighbouring regions and the nation.

Following this early work, RDA Hunter has remained a committed supporter of high speed and faster rail. One of our Board Members, Mr Ian Pedersen¹ (former President of Engineers Australia) has written opinion pieces and attended workshops in NSW as part of the process to build a business case for the north of Sydney faster rail service. RDA Hunter is also collaborating with RDA Illawarra, RDA Sydney and RDA Central Coast as well as the Committee for Sydney to progress a faster rail network and the benefits described in the Sandstone Mega Region² project.

Please call (02) 4940 8355 or send an email to me if you would like any further information from RDA Hunter.

Yours faithfully

Trevor John
RDA Hunter, Executive Officer, and
Director of Regional Development

¹ <https://rdahunter.org.au/news-events/regional-centres-can-prove-the-answer-for-a-city-bursting-at-the-seams/?A=WebApp&CCID=505&Page=12&Items=10>

² https://www.sydney.org.au/wp-content/uploads/2015/10/Committee_The_Sandstone_Mega-region_Final_Web2.pdf

1. TOWARDS A STRONGER REGIONAL ECONOMY

The context in which the Hunter is building a stronger regional economy includes:

- The pressing need to attract more residents, more and new businesses, and to retain its talented and skilled workforce to the level that delivers investors with the capacity and capability certainty required to contract delivery of service and goods to markets.
- Local communities that have recently experienced the benefits of a boom and the harsh realities of an investment downturns and transitions.
- An increasing road freight task which is forecast to continue increasing for decades.
- Housing affordability issues in places where people want to live and can access employment without long, congested daily commutes.
- A limited number of international passenger gateways and transport options.

RDA Hunter views a faster rail service that better connects the Hunter region with Sydney and neighbouring regions as a significant opportunity for regional development.

2. RDA HUNTER'S SUPPORT FOR FASTER RAIL

RDA Hunter is a supporter of the plan to construct a faster rail network and is proactively making the case for the **Newcastle to Sydney stage to be constructed**.

In 2011, RDA Hunter formed a working party to help raise awareness of the economic development opportunities of a faster rail network for the Hunter, neighbouring regions and the nation. A delegation from this working party to Canberra provided Ministers and Departmental Advisers with insights to assist the coordination of land use planning for the rail network and communicated the economic and social benefits of this project to regional Australia.

In addition to RDA Hunter, this stakeholder group consisted of RDAs from Central Coast, Sydney, Southern Inland, Mid-North Coast, and Canberra; the NSW Business Chamber, Canberra Business Council, Hunter Central Coast Development Corporation, Newcastle Airport and Canberra Airport. This Hunter stakeholder group supports the construction of a faster rail system and offers the services of the RDA network on Australia's East Coast to assist in the development process.

In 2012, RDA Hunter's CEO spoke at an RDA Central Coast organised high speed rail event, along with representatives from Infrastructure Australia and Central Japan Railway. Presentations drew comparisons of population similarities between the greater Sydney region and the zones in which very fast trains operate in Japan, with outstanding benefits to economic activity.

The next year, the Central Japan Rail Company presented information in Newcastle regarding the experiences of service operations, costs and flow-on benefits between cities of sizes comparable to Sydney and Newcastle.

On the 18th of February 2016, the General Manager of Central Japan Railway, Mr Shohei Yoshida is RDA Hunter's guest at a public event, *The Impact of High Speed Rail – Japan's experience for over 50 years*.

2. Regional Development –Shinyokohama Sta.



Figure 1 – Promoting development of stations

3. LAND USE AND CORRIDOR PRESERVATION

As a fundamental prerequisite for a faster rail network, RDA Hunter advocates for the **preservation of the corridor** to enable construction of this transformative project. Hunter Regional Plans includes this project as an important economic development driver for the region's future.

RDA Hunter assesses the first steps to complete are corridor identification and corridor preservation. Given the role for local and state governments in this national project this corridor preparation work is likely to require negotiation and sure-footed communications.

Protection of the entire route now will save future costs and provide sites for the construction of supporting projects, such as transport interchanges, road upgrades and linking public transport options, to be carried out over time. Certainty on the route will enable planning for connectivity and integration of the faster rail network into other regional, city, infrastructure, housing, employment and transport plans.

4. JAPAN'S EXPERIENCE – EXAMPLES OF ECONOMIC DEVELOPMENT

The location of stations on the rail network is a crucial decision for the success of the project. Evidence from the CJR Co., as captured in the following images, points to the opportunities for new construction, businesses, job creation and improvements to quality of life through developments in areas around designated rail stations.

3. Business Opportunities

JR Central Towers - Nagoya Station -



Early 1990's



Opened in 2000

©CENTRAL JAPAN RAILWAY COMPANY

Figure 2 – Transforming under-utilised brownfield land

3. Business Opportunities

Creation of Affiliated Business Jobs



Operating Revenues of Consolidated Subsidiaries

- Merchandise
- Real Estate
- Hotels
- Travel agency
- etc

JPY 511 B
(App. \$5.1B)
(Mar 2012 AU\$1=JPY100)

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Figure 3 – Delivering jobs, business revenue and economic growth

Financing – Value Capture JRC examples

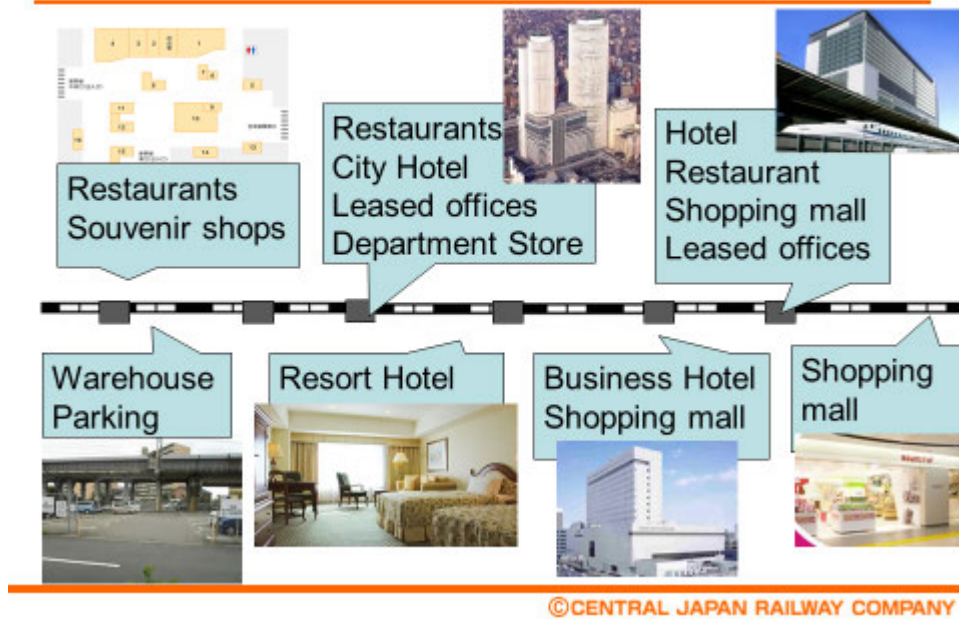


Figure 4 – Value capture opportunities at high speed rail stations

Central Japan Railway Company--Sydney

Submission Ends