Inquiry into the role of transport connectivity on stimulating development and economic activity Submission 19



11 February 2016

Committee Secretariat
Standing Committee on Infrastructure, Transport and Cities
PO Box 6021
Parliament House
Canberra ACT 2600

## House of Representatives Standing Committee on Infrastructure, Transport & Cities Inquiry into the role of transport connectivity on stimulating development and economic activity

The Inland Queensland Roads Action Plan (IQ-RAP) Working Group welcomes the opportunity to make a submission to House of Representatives Standing Committee on Infrastructure, Transport & Cities Inquiry into the role of transport connectivity on stimulating development and economic activity.

The IQ-RAP is the first strategic level analysis and prioritisation of a road network of around 16,000 kilometres of rural roads, which covers 82% of Queensland's area and takes in 33 Local Governments. The plan was developed through an alliance of the 33 Local Governments, eight Regional Roads and Transport Groups (RRTGs), Regional Development Australia Committees and RACQ. These Local Governments have supported this initiative financially, with advice and expertise to develop greater productivity, improved safety and connectivity. The plan has also drawn upon all existing RRTG strategic plans and priorities and data, Department of Transport and Main Roads (TMR) data, plans and documents and relevant Australian Government plans, documents and data.

Regional, rural and remote roads in western Queensland carry a significant portion of the export and domestic freight task and drive tourism market while connecting communities for emergencies and day-to-day requirements. 52%, that is, \$140 billion of Queensland's Gross State Product, is generated outside Brisbane. However, these roads have over many years attracted less than the required funding for safety and productivity upgrades and rehabilitation.

The IQ-RAP provides a methodology that can continue to be used to monitor the infrastructure gap and review priorities. It analyses existing data on bridge and road conditions against TMR intervention and vision standards, and prioritises investment based on the following values:

- Economic value supports economic activity across all industries, and is able to carry heavy freight efficiently in most weather conditions with enhanced safety levels for all users;
- Strategic intent provides stimulus to future economic development;
- Safety carries traffic safely;
- Access ensures roads within the network are of a constituent and adequate quality with predictable travel conditions; and
- Social value connects communities for education, health, employment, business and recreation.



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The IQ-RAP has identified just over 3,000 kilometres of road and approximately 300 bridges require improvement to bring the network up to the vision standard. Prioritisation of investment has been made into 5, 10 and 15 years and beyond program horizons. Analysis of existing road conditions against 'fit for purpose' standards has identified \$5 billion of works are required over 18 years.

The IQ-RAP is designed to assist governments and stakeholders in prioritising road investment over the next 15 years and beyond across the area west of the Bruce Highway and outside South East Queensland. The plan will provide recommendations based on two sub-zones — the Western Inland Zone and the Eastern Inland Zone.

Please find attached a copy of the IQ-RAP Overview. A copy of the IQ-RAP can be accessed via the RDA Townsville and North West Queensland website: <a href="www.rdanwq.org.au/iq-rap">www.rdanwq.org.au/iq-rap</a>.

On behalf of the Working Group and stakeholders, I thank you for your consideration of this strategic level analysis and prioritisation undertaken on the inland Queensland road network.

Should you have any questions, please do not hesitate to contact me at <a href="mailto:ceo@rdanwq.org.au">ceo@rdanwq.org.au</a> or on 07 4410 3655 (B) or 0417 198 284.

Yours sincerely

Glenys Schuntner Secretariat, Inland Queensland Roads Action Plan Chief Executive Officer, Regional Development Australia Townsville and North West Queensland



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The development of the Inland Queensland Road Action Plan has been financially supported by the following organisations:

#### *Local government:*

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Balonne Shire Council	Charters Towers Regional	McKinlay Shire Council	
Banana Shire Council	Council	Mount Isa City Council	
Barcaldine Regional Council	Cloncurry Shire Council	Murweh Shire Council	
Barcoo Shire Council	Croydon Shire Council	Paroo Shire Council	
Blackall-Tambo Regional	Diamantina Shire Council	Quilpie Shire Council	
Council	Etheridge Shire Council	Richmond Shire Council	
Boulia Shire Council	Flinders Shire Council	Rockhampton Regional Council	
Bulloo Shire Council	Gladstone Regional Council		
Burke Shire Council	Isaac Regional Council	Tablelands Regional Council	
Carpentaria Shire Council	Longreach Regional Council	Townsville City Council	
Central Highlands Regional Council	Mackay Regional Council	Whitsunday Regional Council	
	Maranoa Regional Council	Winton Shire Council	

Mareeba Shire Council

#### Regional Development Australia Committees:

**RDA Darling Downs South** 

West Committee

RDA Mackay-Isaac-Whitsunday Committee

RDA Far North Queensland and Torres Strait Committee

RDA Townsville and North West Queensland Committee

**RACQ** 



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## Inland Queensland Roads Action Plan

Driving Productivity in Australia's Transport Network

## **Overview**

27 January 2016





## A collaborative approach

The Inland Queensland Roads Action
Plan (IQ-RAP) has been developed by
the collaborative partnership of 47
organisations across regional Queensland.
The purpose of the plan is achieve
more strategic, long term planning
and funding for inland roads to form a
stronger network, better safety outcomes,
more efficient supply chains, greater
resilience to cope with weather events
and to sustain regional communities and
industries.

The following partners in the IQ-RAP's development provided their financial support, information, insights and advice to ensure a robust plan that can be used as a planning tool by all levels of government.

- Balonne Shire Council
- Banana Shire Council
- Barcaldine Regional Council
- Barcoo Shire Council
- Blackall-Tambo Regional Council
- Boulia Shire Council
- Bowen Basin Regional Roads and Transport Group
- Bulloo Shire Council
- Burke Shire Council
- Carpentaria Shire Council

- Central Highlands Regional Council
- Charters Towers Regional Council
- Cloncurry Shire Council
- Croydon Shire Council
- Diamantina Shire Council
- Etheridge Shire Council
- Far North Queensland Regional Roads and Transport Group
- Flinders Shire Council
- Gladstone Regional Council
- Gladstone Regional Roads and Transport Group
- Isaac Regional Council
- Longreach Regional Council
- Mackay Regional Council
- Maranoa Regional Council
- Mareeba Shire Council
- McKinlay Shire Council
- Mount Isa City Council
- Murweh Shire Council
- Northern Queensland Regional Development Australia Alliance
- North West Queensland Regional Roads and Transport Group
- Outback Regional Roads and Transport Group
- Paroo Shire Council
- Quilpie Shire Council
- RAC
- Regional Development Australia Far North Queensland and Torres Strait

- Regional Development Australia
   Darling Downs South West
- Regional Development Australia
   Mackay-Isaac-Whitsunday
- Regional Development Australia Townsville and North West Queensland
- Richmond Shire Council
- Rockhampton Regional Council
- Rockhampton Regional Roads and Transport Group
- South West Queensland Regional Roads and Transport Group
- Tablelands Regional Council
- Townsville City Council
- Whitsunday Regional Council
- Whitsunday Regional Roads and Transport Group
- Winton Shire Council

The Queensland Government Department of Transport and Main Roads also provided in-kind support through the provision of data and information.



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# Introduction by Chair of IQ-RAP Working Group

Queensland is a highly decentralised state with its wealth producing centres scattered widely along the coastal strip but more importantly throughout the interior – from major ports and airports through agriculture and mining, to tourism and services. Queensland is also a critical supplier of food, goods and materials to the major population centres in the south of our continent.

Historically, road transport and subsequent investment has focussed on the Bruce Highway as a single coastal link with east-west 'ribs' serving the hinterlands. This approach has produced significant congestion on the coastal network which is also subject to extremes of climatic impact and the pressure of growing population. The coastal network is also neither designed nor appropriate for the operation of Freight Efficient Vehicles (FEV) which maximise productivity of the freight task.

The vision for the Inland Queensland Roads Action Plan (IQ-RAP) is to increase the quality and accessibility of the road network to maximise the economic prosperity of inland Queensland, thereby contributing to Australia's productivity, quality of life, safety and equity outcomes.

The goals of improving productivity and safety on the inland Queensland road network, along with sustaining regional local governments and communities, brought together 33 local governments, 8 Regional Roads and Transport Groups (RRTGs), Regional Development Australia (RDA) committees and the RACQ as a working group to develop a bi-partisan approach to road network planning. This strategic alliance has developed the plan to identify the network and prioritise a program of works over 15 years and beyond. Each of these partners has contributed financially to the project.

IQ-RAP aims to strengthen Queensland's road network by identifying and prioritising for investment upgrade of the more freight efficient inland network by creating a transport 'backbone' in the eastern zone of inland Queensland providing a quality inland link connecting northern Australia to Sydney, Melbourne and Adelaide.

For the western zone, IQ-RAP aims to prioritise improvement of 'ribs' servicing the west's industry and communities and improving access to the 'backbone'.

#### The IQ-RAP network

The proposed network is based on previous work of the Department of Transport and Main Roads (TMR), recent studies and knowledge from local governments. It was chosen for connectivity to all major communities, wealth generating regions and tourism destinations to the west of the Bruce Highway and outside South East Queensland.

Prioritised investment in the IQ-RAP network is necessary to enhance connectivity between communities in western and northern Queensland and address a range of challenges associated with the current condition and the changing demands on the network. It will also deliver benefit to industries and support Australian Government strategies to enhance the productivity of northern Australia, contributing to the Australian economy through providing improved and more direct connectivity to southern markets. For example, the beef industry is highly dependent on the transport network for the timely and efficient movement of stock; delays at times of climatic extremes directly impact productivity.

#### Methodology

The IQ-RAP marks the first time a strategic level analysis and prioritisation has been undertaken on a network of around 16,000 kilometres of rural roads, and provides a methodology that can continue to be used to monitor the infrastructure gap and review priorities. It analyses existing data on road and bridge conditions against established TMR intervention and vision standards, and prioritises investment based on the following values:

- » Economic value Supports economic activity across all industries, and is able to carry heavy freight efficiently in most weather conditions with enhanced safety levels for all users;
- » Strategic intent Provides stimulus to future economic development;
- » Safety Carries traffic safely;

» Access - Ensures roads within the network are of a consistent and adequate quality with predictable travel conditions; and

Cr Peter Maguire Chair, IQ-RAP

Working Group

» Social value – Connects communities for education, health, employment, business and recreation

The needs and aspirations of road users were considered in the identification and prioritisation of works, which called for:

- » A robust network of inland roads connecting to and providing viable alternative routes to the Bruce Highway, as well as servicing those seeking an inland route to southern states;
- » Roads to be built and maintained to 'fit for purpose' standards; and
- » A prioritised program of works resulting in timely improvements, to meet industry development and operational needs, and continuity of work for dedicated local workforces.

This plan provides stakeholders with a high level assessment of the current road infrastructure in the region, a clear understanding of the future road transport priorities for inland Queensland, and a sensible and staged approach to funding the required improvements.

An implementation plan is proposed to convert this understanding into an agreed and funded plan, and to prepare road authorities for the planning, design and construction activities necessary to undertake projects when funds become available.

Achievement of a realistic program of works based on this plan will both improve transport links within inland Queensland and links to the rest of Australia, it will also reduce traffic pressures on Queensland's populous coastal strip.

I encourage you to consider the opportunities this plan presents and the recommendations that can take Queensland and Australia into the next century of prosperity. For more details on the full plan, please visit www.rdanwq.org.au

Cr Peter Maguire Chair, IQ-RAP Working Group

## What's good for inland Queensland is good for Australia

## AGRICULTURE

The agricultural industry contributes \$13.7 billion and 5% of Gross State Product (GSP) and employs 323,800 people accounting for 14% of Queensland's employment. Approximately 88% of these jobs are regionally-based. Significant new agricultural expansion is already planned in much of Queensland based on water resources associated with the major catchments.

## **CONSTRUCTION**

The construction industry contributes \$14.4 billion and 7.7% of Gross State Product and employs 149,400 people accounting for 8.4% of the Queensland's employment. Approximately 47% of this industry activity is based outside South East Queensland.

## BUSINESSES

In 2013-14, there were 97,892 registered businesses outside the Queensland South East corner. The majority of these businesses employed 1-4 employees.

## **GEOGRAPHY**

The scope of the Inland Queensland Roads Action Plan covers 33 Local Governments and 1.4 million km<sup>2</sup>, which equates to 82% of Queensland and 18.5% of Australia.

The area is more than 20 times the size of Tasmania.

## **ECONOMY**

and business base is broadly distributed. 52%, that is, \$140 billion of Queensland's Gross State Product is generated outside Brisbane.

## UNEMPLOYMENT

While 4-quarter smoothed unemployment in Queensland was 6.5% in the September 2015 Quarter, it reached 7.3% in the inland Queensland region as defined by the scope of the IQ-RAP. With nearly 28,000 people unemployed and more redundancies and business closures announced since September 2015, the region is facing increasing unemployment, continuing very high youth unemployment at approximately 20% and declining population growth or in the worst case situations declining populations.

and LGs involved in the IQ-RAP.

Far North

## MINING AND ENERGY

The total economic impact of the minerals and energy sector taking into account direct and indirect benefits in 2014/15 was \$64.8 billion, contributing 21.9% of Gross State Product and employing 365,866 people accounting for 15.7% of the Queensland's employment. *Approximately 40% of this industry activity is based outside South East Queensland.* In regions like North West Queensland, the mining sector accounts for 56.2% of direct and indirect regional employment.

## **EXPORTS**

Queensland has more than 15 ports, 7 of which are vitally linked to the Inland Queensland Road network. Queensland exports \$49.5 billion of goods overseas each year. The major exports include; food and live animals worth \$7.6 billion, mineral fuels \$19.84 billion and non-ferrous metals \$4.25 billion. A number of export industries have shown considerable growth in value over the past decade – agricultural exports have grown by 104% from 2004/5 to 2014/15 and coal and metal ore exports have increased by 93%.

## **TOURISM**

The tourism industry contributes \$23 billion and 7.6% of Gross State Product and employs 131,000 people accounting for 5.6% of Queensland's employment. The sector contributes \$5.8 billion to export earnings and is the second largest export earner in Queensland after coal. Approximately 40% of this tourism industry activity is based outside South East Queensland. The international and domestic touring markets now account for 1.3 million visitors to Queensland with annual expenditure of \$1.9 billion.

# Bowen Basin Rockhampton Gladstone

Southwest

Whitsunday

## **POPULATION**

Queensland has a highly decentralised population compared with other States. Queensland's estimated forecast population in 2016 is 4.9 million. *The population outside South East Queensland is estimated to reach 1.6 million by 2036.*This is more than three times the population of Tasmania

## ADVANTAGES OF INLAND ROUTES

Inland routes primarily pass through smaller population centres traditionally welcoming of road transport and benefit significantly from transport-related industries. *The vast majority of inland roads are designated road train routes which allow for higher freight productivity and fewer heavy/light vehicle interactions.* Efficient and effective inland routes reduce congestion on the populous coastal strip served by the Bruce Highway where coastal terrain, major rivers and more extreme climatic events require significantly higher levels of road infrastructure funding to achieve similar levels of operational efficiency.

# Recommendations and next steps

The IQ-RAP assumes that all sections of the network that meet the intervention standard will be rehabilitated to a fit for purpose standard within the 15 year vision period. The analysis of existing road conditions against intervention triggers and desired vision standards identified approximately \$4.4 billion worth of works over 15 years and further investment beyond that.

#### Recommendations

## 1) Proposed program of investment in the IQ-RAP network

A multi criteria analysis (MCA) aided in short-listing multiple investment options based on a consistent range of criteria across the entire network. The MCA has been undertaken on a link basis rather than project basis, as it is strategically important that a link is completed to desired standards rather than individual isolated projects.

The MCA has identified just over 3,000 kilometres of road and approximately 300 bridges which require improvement to bring the network up to the vision standard (for road and bridge quality) that was established based on stakeholder engagement.

Prioritisation of investment into 5, 10 and 15 year program horizons (MCA 1, 2 and 3 ratings respectively in the map) is demonstrated in the following table with additional works recommended beyond that.

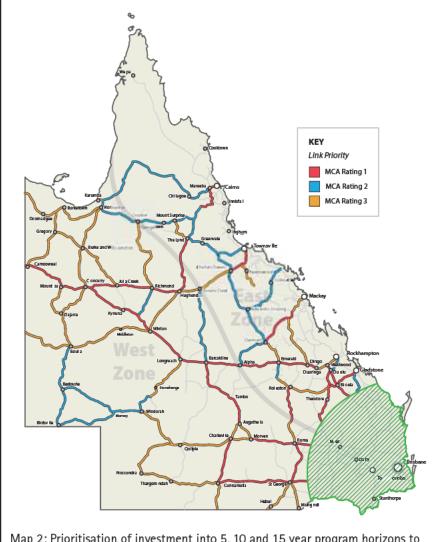
The IQ-RAP provides the basis for governments to rapidly assess projects for funding based on their priority within the inland Queensland road network, safe in the knowledge that a robust and non-partisan multi criteria analysis has been undertaken.

The IQ-RAP is not a static document, it will require regular revision and review to account for changing economic patterns, improvements in transport best practice and strategic input from other States and Territories regarding broader connectivity to align with developing northern Australia. Updates will also highlight the achievements of IQ-RAP in attracting funding and the projects delivered. It is recommended that the methodology developed for the IQ-RAP be extended across the Queensland border and become the basis for an assessment and prioritisation of the entire inland Australia road network.

Regional Roads and Transport Groups	Strategic estimate <sup>2</sup>	Future investment \$m			
	\$m	1-5yr	6-10yr	11-15yr	15+yrs
South West	694	86	343	265	
Outback	903	106	337	410	50
North West	1,222	176	305	307	434
Bowen Basin, Rockhampton, Gladstone	964	220	424	320	
Whitsunday	417	92	126	81	118
North Queensland	491	170	132	189	
Far North Queensland	321	72	146	103	
TOTAL	5,012	922	1,813	1,675	602

<sup>&</sup>lt;sup>2</sup> Strategic Estimate in \$2015, subject to planning and design considerations.

#### Inland Queensland road network map with priority links



Map 2: Prioritisation of investment into 5, 10 and 15 year program horizons to reach vision standards based on multi-criteria assessment (MCA) - MCA 1, 2 and 3 ratings indicate meeting vision standards in 5, 10, 15 year horizons respectively

- 2) Australian and Queensland
  Governments to provide the
  IQ-RAP Working Group with a
  written response to the IQ-RAP
  recommendations within an agreed
  time frame
- 3) Australian and Queensland
  Governments to agree to monthly
  meetings with the IQ-RAP
  Working Group to progress the
  recommendations and associated
  submissions
- 4) Queensland Government to agree to allocating a project coordinator within TMR to assist in taking this initiative forward in collaboration with the IQ-RAP Working Group

## Next Steps

- Stakeholder briefings to Australian and Queensland Government representatives for input to 2016/17 Budget planning – February 2016 onwards
- Work with governments to urgently bring forward programs of work to address regional unemployment challenges
- Workshop with TMR and funding partners after 2016 local government elections – April, 2016



## **IQ-RAP** Partners













































































