



6 December 2019

The Hon John Alexander OAM
Committee Chair
Standing Committee on Infrastructure, Transport and Cities
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Mr Alexander OAM

INQUIRY INTO OPTIONS FOR FINANCING FASTER RAIL

The City of Newcastle (CN) welcomes the opportunity to contribute to the Inquiry into Options for Financing Faster Rail to the Standing Committee on Infrastructure, Transport and Cities.

CN reiterates its support for Faster Rail (travel speed of <200km/h) that would reduce travel times between the Sydney CBD and Newcastle CBD from three hours to two hours as an intermediate option to High Speed Rail (travel speeds of >250km/h).

As reported widely, the Business Council of Australia's CEO, Ms Jennifer Westacott, has urged the Federal Government to invest in projects that unleash the potential of people and places to underpin the economy and enable growth. Faster Rail has the potential to bring significant socio-economic benefits to Newcastle by making it easier to invest, do business and build a lifestyle at a public cost lower than many other places because of the region's existing and latent skills, services and infrastructure.

The Federal Government's National Faster Rail Agency has provided the NSW Government with \$5.25 million to develop a business case on the Sydney to Newcastle corridor. The project, which is being led by international expert Professor Andrew McNaughton, is investigating works including reducing track curvature, deviations and realignments, removal of level crossings, junction rearrangement and better segregation of passenger and freight services. The business case was due to be completed by mid-2019 but CN now understands that it has been delayed until end of 2019.

Without the business case, it is difficult for CN to provide any considered feedback to the Standing Committee. In principle, CN requests financing options that ensure equity of access, minimise existing and future inequalities, and manage property speculation including general taxation and government borrowing (noting record low bond rates and

existing calls from the Reserve Bank of Australia for increased Commonwealth investment in productive infrastructure) and value capture.

CN also requests that the Standing Committee note the lessons from High Speed 2 (HS2) in the United Kingdom and the need for any Faster Rail or High Speed rail option to be coupled with an inter-regional economic development strategy to ensure that Newcastle does not become a dormitory outer suburb of Sydney.

CN thanks the Committee for the opportunity to contribute to this important topic. Once the Sydney to Newcastle Fast Rail business case is publicly released, CN would appreciate the opportunity to provide further comment to the Committee.

Should your Committee have any questions or require further information, please contact Mr Simon Massey, Economic Development Facilitator

Yours faithfully

Jeremy Bath
CHIEF EXECUTIVE OFFICER