

29 March 2020

Discussion Paper

Hunter calls for Economic and Enabling Infrastructure to be funded as part of the recovery mix

by Trevor John, DRD/EO The Regional Development Australia Hunter Committee

Bring forward spending commitments

The Australian Government's big picture plan for Australia's Future Population includes a record spend on infrastructure; \$100 billion allocated up to 2027 -28. We welcome the spend, but this timeframe must be reduced. Construction of new infrastructure, and upgrades to existing economic and enabling infrastructure, has to begin as quickly as possible.

Public spending is once again the biggest game in town. Our beautiful art deco coastal baths in NSW, and the largest seawater baths at Merewether, are a tribute to depression era spending by governments and they deserve their treasured admiration from devotees and visitors, who will be welcomed back.

Health and economic combo-crisis

But first, - new economic measures are being directed at today's most urgent health and social needs. A direct and shared response to COVID-19 is essential. We're all looking to our researchers to solve the mystery. We need leadership, effective cleaning products, more PPE kits, patience and a vaccine. Every State and Territory has to develop the capacity to manufacture personal protective gear and test kits.

We need to be ready to build factories to make vaccination supplies. This will require a skilled workforce to manage the manufacture of critically sterile medical supplies and to ensure humans, and our unending capacity to pick up and distribute bugs, do not compromise the solutions.

In short, dealing with the consequences of this pandemic on citizens, families, employers, social and economic structures is vital. A couple of things we should've all learned from this crisis are to be proactive and to be clear on who needs to do what, when and why.

Planning for our future

Is it too soon to start looking further into the future? Planners, advocates and interest groups in our capital cities are not waiting for an invitation to lobby governments, or at least their advisory bodies, to secure funds to build their transformational projects.

Remember last September, when there were signs that the economy was slowing – no wage rises, lack of full-time jobs, limp inflation, gagging growth, - and infrastructure spending was being called for by the RBA, state governments and advocates like the Master Builders. Then, in November 2019, Queensland and South Australia were given the nod by the Prime Minister, Scott Morrison, for extraordinary amounts of spending on road and rail infrastructure.

Let's see the Hunter join together to make the case for our fair share. This is the time to get ready. Are you able to get an economic infrastructure project shovel ready? This is your time and your region needs you. So, abide by the expert advice, but do not go into a *deep* hibernation.

We have to take steps now to ensure there is an upward bounce in demand when the time comes for us to go out again and be part of a crowd. Planning now and securing agreement to fund regionally significant projects will be an important part of ensuring money flows into workers' bank accounts as quickly as possible after this pandemic subsides. The return to employment will be the foundation for re-establishing a solid economy and the long-term driver for prosperity.

Hunter connecting on faster rail network

We have heard a lot about “congestion busting” investments which “will deliver faster and safer commutes”. A package which included the Urban Congestion Fund; a Commuter Car Park Fund; a Road Safety Package; and funds to build a fast rail link between Melbourne and Geelong.

This last item, funded by \$2 billion from the Victorian government, matched with \$2 billion from the Federal government, appears to have been a brave decision which was not hampered by the business case process to which the Sydney to Newcastle connection (and other lines on the agenda of the National Faster Rail Agency) is being subjected.

Analysis of rail timetables for 14 journeys (BITRE 2017) found the average time for the trip between Melbourne and Geelong to be just over 1 hour, with an average travel speed of almost 80km/h (The travel distance of 80kms was the 4th shortest distance of this study.)

For the longest travel distance in this investigation, 163kms between Sydney Central and Newcastle (actually to the near-by suburb of Hamilton – as work was being carried out at the time to truncate heavy rail at Wickham), commuters needed to set aside an average of 2 hours 40 minutes, and typically 3 hours, for the trip. This trip up and down the coast is delivered at an average speed of 60km/h.

Let’s compare the number of beneficiaries from this rail investment by looking at the latest estimates for populations (in 2019, by the ABS 3218.0, released 25 March 2020):

Melbourne 4.89m and Geelong 275,000.

Sydney 4.91m and Newcastle-Maitland 491,000, plus Central Coast 335,000

In March 2018, the NSW Government received \$20m from the Federal government to develop a business case for a faster rail service between Sydney and Newcastle.

The grant was awarded to explore improvements to the rail connections between Sydney and Newcastle that would facilitate faster passenger rail services. The outcomes to be presented as a business case.

Surely the business case for a faster train between Newcastle and Sydney will take into consideration the population along the NSW corridor is three (3) times the size of the population along the Geelong – Melbourne corridor.

The benefits to be delivered to commuters on the new \$4 billion Geelong line will apply equally to Central Coast, Newcastle and Hunter commuters and economies:

- Faster travel speeds delivering a commute in better than half the current duration;
- Take congestion pressure off the capital and reduce the number of cars on the connecting road network;
- Support growth of, and improve accessibility to regional areas;
- Tackle Australia’s population challenges;
- Increase the amount of at-home and recreational time for workers;
- Create jobs and unlock the potential for our regions;
- Encourage more migrants and students to settle outside of Sydney; and
- Improve the quality of the commute, which is an unsatisfactory ordeal – despite the beautiful views.

The Federal Government has committed to spending \$20 billion on rail infrastructure – now is the time to bring forward a significant proportion of this promised investment to provide greater certainty as the community and the economy on which we rely recovers from a string of shocks and set-backs.

RDA Hunter recently held a series of sessions under our Viewpoint initiative to listen to the voices of the Hunter's young and emerging leaders. This was a delightful and informative experience. Much was discussed, including their perspective on the priorities for infrastructure improvements, which were:

- Inter and intra region transport infrastructure
- International airport
- Fast rail between Sydney and the Hunter.

What's on your list?

Let's build on these insights and as a region prepare a list of economic and enabling infrastructure projects that will be long-term economic drivers to ensure the Hunter holds its place as a major Australian regional economy. The Hunter's future requires its share of economic and enabling infrastructure and we're certainly going to need the jobs and social well-being these works can deliver.

It's not all about spending – there are cost savings too. Road congestion is blowing away \$20 billion each year in just a few cities, with predictions made last year by Infrastructure Australia that this will blow out to over \$40 billion per year within the next decade. That is not affordable, - or sensible.?

We have started a campaign to really find out what the Hunter wants to see built. Supporters, coordinators, proponents and visionaries have the chance to unite to give the best chance of maximising the outcome from the spend on infrastructure which is coming.

RDA Hunter wants to hear your views. Please share your thoughts, ideas, recommendations and insights to the infrastructure priorities that will deliver the greatest benefits to your region.

(end)

Email distribution:

From: Trevor John
Sent: Sunday, 29 March 2020 11:36 PM
To: RDA Hunter Consultant
Subject: RE: Cfs Statement: The next infrastructure boom

From: Trevor John
Sent: Monday, 30 March 2020 9:38 AM
To: RDA Hunter Board
Subject: Meeting background notes - Monday 30 March 2020

From: Trevor John
Sent: Friday, 3 April 2020 9:37 AM
To: Hunter Joint Organisation of Councils, CEO; Committee for the Hunter, CEO
Subject: RE: Hunter - COVID-19 Recovery and Rebuild