

Moving ahead with Inland Rail

The Australian Government is delivering Inland Rail through the Australian Rail Track Corporation (ARTC), in partnership with the private sector.

Parkes, New South Wales April 2020



Inland Rail is a priority infrastructure project for the Australian Government – a 1,700km, fast freight backbone that will transform how we move goods around Australia.

- + The work of the last five years has identified that additional features are required to meet community and customer demands.
- + These increased demands have generated a need for a higher level of investment.
- + These new features and higher level of investment drive even greater local and national benefits.
- The Australian Government will invest up to \$14.5 billion in equity, enabling the Australian Rail Track Corporation (ARTC), to deliver a stronger Inland Rail by 2027.
- The increased investment for Inland Rail will provide greater local investment, support more than 21,500 jobs at the peak of construction and deliver an economic boost of more than \$18 billion to Gross Domestic Product during construction and the first 50 years of operation.



What do we get for the increased investment?

Inland Rail is one of the largest infrastructure programs undertaken in Australia. It's critical we get it right. When the Inland Rail Business Case was first presented in 2015, it was understood that detailed technical and environmental investigations, community consultation and reference design refinements would further inform the Program's final scope, schedule and cost.

The project reached this pivotal stage in 2020, when detailed work over the last five years including on the ground investigations, community discussions and detailed scientific and engineering analysis — defined what needs to be built, how much it will cost and how long it will take.

This Australian Government investment will enable ARTC to deliver Inland Rail to its fullest potential, providing certainty to local communities that works are progressing and strengthening investor confidence. Along the way, we have listened to the community and its customers and worked hard to address their needs.

The investment has also defined how Inland Rail's increased scope will support more jobs for Australians and further stimulate the national economy at a time when we need it most.

Enhanced works and additional infrastructure will be sourced and supplied by contractors, creating flow-on opportunities, including thousands more regional jobs and significant local investment.

This is a welcome boost for those industry sectors and regional communities that already stand to benefit significantly from construction and operation of Inland Rail.

MEETING THE NEEDS OF COMMUNITIES AND CUSTOMERS DRIVES A NEED FOR MORE FEATURES



COMMUNITY BENEFITS

- + Safer floodplain crossings
- + Safer road crossings
- + Allowing for capacity for passenger rail, where appropriate



CUSTOMER BENEFITS

- + Proven < 24 hours transit time
- + More resilient freight backbone
- + Future-proofing for climate change
- + Better access to ports



MORE FEATURES (SCOPE)

- + 4500 additional culverts
- + 9 additional viaducts
- + 6.8km additional bridges
- + 10 grade-separated level crossings
- + Raised embankments
- + Larger tunnel diameters

+ All of this was incorporated while responding to changing regulatory standards | Australian Rainfall and Runoff Guidelines | Biodiversity Offsets





Inland Rail is a nationally significant infrastructure project that will bring widespread and long-term benefits to Australia. It will also be important for our regions at a time when local communities, job seekers and businesses need it most.

The COVID-19 pandemic has reminded Australians of the importance of a secure and efficient freight supply chain. While the economic recovery and freight supply resilience will be strengthened through the delivery of Inland Rail, work on this project will generate thousands of jobs and billions of dollars in local investment, boosting regional economies and communities right along the alignment.





Construction of Inland Rail is well underway. The first of the 13 segments that comprise Inland Rail, the 103km Parkes to Narromine segment, was commissioned in September 2020 and is already in operation. Early works on the Narrabri to North Star segment in Northern NSW began in November 2020, while the remaining segments are in various reference design and approval phases.

The Parkes to Narromine work has demonstrated the benefits Inland Rail is bringing to local economies

1862

have worked on

the project since

December 2018 of whom are Indigenou

local residents have worked on the project

197 of whom are local and Indigenous

SUSTAINABLE JOBS EMPLOYED FOR 26 WEEKS OR OVER FOR A MINIMUM OF 15 HOURS A WEEK 303

TRADESPEOPLE EMPLOYED

EMPLOYED

local businesses have supplied to the project

 $oldsymbol{O}$ **Indigenous businesses** \$109.7M total spend with local businesses \$14.1M

total spend with Indigenous businesses

(FROM DEC 2018 TO SEPT 2020)

Helping more contractors participate in construction sooner

Moving ahead with Inland Rail means finding ways to bring certain works forward, while still meeting our significant social responsibilities and rigorous environmental approval requirements.

To help accelerate benefits to businesses and regional communities, ARTC has designed a procurement and packaging plan around specialist works packages. This means more opportunities for more contractors to participate, while de-risking Inland Rail's procurement processes.

ARTC will award packages for civil works and the rail corridor for greenfield projects in the first half of 2021.

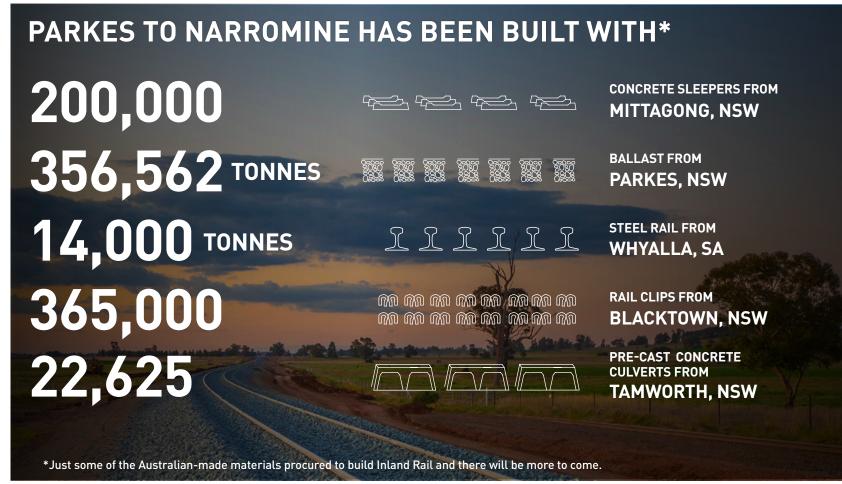
This delivery strategy will accelerate our ability to generate jobs, stimulate business investment and reskill and upskill job seekers to aid economic recovery from COVID-19.

More than 1.300 contracts (correct as of November 2020) have already been awarded to businesses from every state and territory in Australia.





Supporting local jobs, communities and regional economies is embedded in our procurement process.



Meet some of the people, places and businesses helping build Inland Rail



Inland Rail is creating jobs for locals

At the peak of Parkes to Narromine construction last year, approximately 30 staff were working on the project and all of these staff were from our regional offices.

Robert Cox – Macquarie Geotechnical Managing Director and Principal Engineer Geologist



Macquarie Geotechnical

A true regional New South Wales company, Macquarie Geotechnical is based out of Bathurst, with offices in Parkes, Dubbo, Narrabri and Gulgong.

Since winning a 2018 contract to provide geotechnical services to the Parkes to Narromine project, Macquarie Geotechnical have reaped the business benefits of their association with Inland Rail.

Managing Director Robert Cox said, "At the peak of Parkes to Narromine construction last year, approximately 30 staff were working on the project and all of these staff were from our regional offices,"

"No fly-in, fly-out or drive-in, drive-out staff were employed on the project and we employed six trainee staff in our regional offices to assist in servicing the project."

"We estimate the Parkes to Narromine project alone increased the company's gross revenue by 30% for close to two years."

While the work has been intense for Macquarie Geotechnical's young teams (the average age is 24), Rob reflects that his regional staff have been fortunate to work on a project that has delivered opportunity and experience.

"In the current economic climate, for regional businesses like ours to have the chance to be part of future Inland Rail projects is a huge economic and social boost to local communities," Robert said.

Inland Rail is spending in local communities

We can definitely see the benefits of having Inland Rail in town because they're here, they're spending money, they're dining out, they're being entertained by us and the flow on effect for the rest of the town I'm sure would be the same.

Kasie Ferguson – Owner and Operator, The Railway Hotel Parkes





The Railway Hotel

Kasie Ferguson, Owner and Operator of The Railway Hotel in Parkes, said the presence of Inland Rail staff in the community brought much-needed economic and social positivity to the town.

"We can definitely see the benefits of having (Inland Rail) in town because they're here, they're spending money, they're dining out, they're being entertained by us and the flow-on effect for the rest of the town I'm sure would be the same."

In addition to the financial boost from local spend in the community, Inland Rail gave the town an injection of optimism and a buzz of excitement.

"It's such a massive nation-wide project, so for us to be here experiencing it and then to explain it to other people and what a great effect it's going to have on all of Australia it's a really exciting thing to be a part of," she said.

Inland Rail is building business confidence

We've also been able to invest about \$500,000 in new equipment over the last two years to capitalise on an opportunity Inland Rail has presented to transition from working with steel to concrete sleepers.

Stephen Stewart – Owner and Director, SLS Transport



SLS Transport

Dubbo-based heavy truck haulage business SLS Transport has expanded its business and created new local job opportunities as a result of its involvement with Inland Rail.

SLS Transport specialises in transporting and unloading sleepers and rail track. The company recently completed work on the Parkes to Narromine project and is currently tendering for other Inland projects, including Phase 1 of the Narrabri to North Star section.

For owner and Director Stephen Stewart, participating in the delivery of Inland Rail has transformed his business.

"Working with Inland Rail has been an incredible opportunity," he said.

"Since starting on Parkes to Narromine, we have employed seven more staff – five full-time and two casuals – and have grown the business to 11 people.

"We've also been able to invest about \$500,000 in new equipment over the last two years to capitalise on an opportunity Inland Rail has presented to transition from working with steel to concrete sleepers."

Stephen is positive about his company's working partnership with Inland Rail, which is built on open and honest conversation.

"Inland Rail is very good to work with and always open to suggestions. They are prepared to sit at the table and work with us to come up with new and better ways of doing things," he said.

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Inland Rail is boosting local economies

At the peak of our work on the North Star to Border project, we had up to 12 staff members staying in Goondiwindi and spending money with local businesses like motels, restaurants and mechanics.

Ryan Leeson – Area Manager, Construction Sciences



Construction Sciences

For a national company with regional project offices, Construction Sciences is proof there is plenty of opportunity for local businesses and communities to benefit from Inland Rail even before major construction starts.

Construction Sciences has worked on two Inland Rail projects to date.

Narrabri to North Star and North Star to NSW/Queensland Border – delivering geotechnical investigations and utilities surveys.

Construction Sciences Area Manager Ryan Leeson has witnessed the flow-on effects being realised in regional towns right along the alignment through the eyes of his ground crews.

"At the peak of our work on the North Star to NSW/QLD Border project, we had up to 12 staff members staying in Goondiwindi and spending money with local businesses like motels, restaurants and mechanics," he said.

"I was born and raised in Goondiwindi, so the opportunity to return to my hometown for a project like Inland Rail is very rewarding, particularly in the current climate." For Construction Sciences, working on Inland Rail has been a unique opportunity to upskill multidisciplinary teams from multiple offices and purchase additional specialist equipment.

"The multidisciplinary nature of our work to date has allowed our geotechnical, environmental and utilities divisions to upskill teams in adjoining disciplines," Ryan said.

"We have been able to continue investing in our construction materials testing lab in the Darling Downs, which was downscaled following the completion of the Toowoomba Bypass project."

"With construction contractors needing specialist testing early on, we've used this opportunity to educate several trainees in laboratory testing as part of their training and key competencies.

It has also provided a great learning curve for several of our undergraduate engineering staff to gain exposure to working on a complex, national infrastructure project.

My advice to other local businesses is invest early in upskilling your staff with relevant rail competencies, spend money in regional towns and you will reap long term reputation benefits," he said.

Inland Rail is driving workplace training

The Inland Rail project has required us to invest in our Tamworth team, upskill them and provide formal and informal training to meet the Parkes to Narromine project's technical requirement.

Chris Hughes - Tamworth Operational Manager, Humes Concrete



Humes Concrete

Precast concrete manufacturer Humes is reaping the benefits of providing innovative, Australian-made materials to the Inland Rail program.

Humes manufactured 22,625 tonnes of carbon-neutral precast concrete culverts out of its Tamworth factory for delivery to the 103km Parkes to Narromine project in NSW.

By using carbon neutral culverts on the Parkes to Narromine project, Humes helped Inland Rail save more than 7,250 tonnes of carbon emissions: this is the same as removing about 1,350 vehicles off the road for a year.

The team at Humes' Tamworth factory achieved a world first in 2017 with the development and registration of an **Environmental Product Declaration** (EPD) for precast concrete products. These EPDs quantify the greenhouse gas emissions involved in the creation of Humes precast concrete products through the entire supply chain.

For Chris Hughes, Humes Tamworth operational manager, working on Inland Rail has helped drive investment in new equipment and relationships with local materials suppliers and contractors.

"The Inland Rail project has enabled us to strengthen our relationships with local suppliers and contractors to meet project requirements, while building a strong multi-disciplined team within the local community," he said.

Humes is investing \$2 million in capital upgrades to its Tamworth factory, has employed an additional 30 people from the local region and engaged other local suppliers and contractors to complete associated works.

"We're proud to be contributing locally sourced materials and employing local workers to support the delivery of Inland Rail, a truly national infrastructure project," Chris said.

"We have invested in our Tamworth team, upskilled them and provided formal and informal training to meet the Parkes to Narromine project's technical requirements.

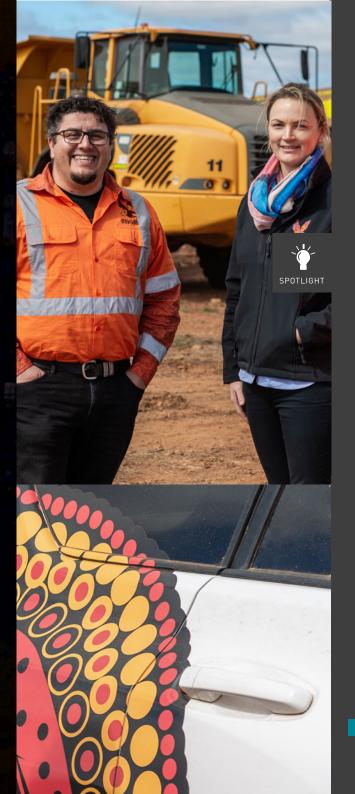
It has also given us the opportunity to source skilled workers from elsewhere who have committed to staying with us long term, enhancing the talent pool for the local community.

Various professional development initiatives within Humes were driven by its Tamworth team, with skills in digital and automation disciplines, and formal qualifications including Cert IV and Diplomas in high demand," he said.

Inland Rail is increasing Indigenous participation

...we were able to give the local mob local jobs with hands-on experience to become qualified machinery operators on-site...

Peter Beath – Director, Maliyan Horizon



Maliyan Horizon

Maliyan Horizon had only been operating for 18 months when it was awarded a contract for Inland Rail's Parkes to Narromine project.

At its peak, the Indigenous organisation – based in Cootamundra, in the Eastern Riverina of New South Wales – was supplying close to 50 crew members on site, including general labourers and operators of water carts, rollers, excavators, articulated dump trucks and graders.

About 85 percent of staff came from local communities, of which 60 percent were local Indigenous.

Maliyan Horizon Director Peter Beath said Inland Rail heavily influenced the transformation of the business and provided sustainable employment for the local Indigenous community.

"Inland Rail has been a fantastic project to be part of," Peter said.

"We're a young, growing business and to be given an opportunity to work on a massive infrastructure project like this was amazing. "Instead of having a core crew we ship around the country, we were able to give the local mob local jobs with hands-on experience to become qualified machinery operators on-site thanks to Smart & Skilled NSW Government funding.

"The flow-on effect is the paycheck is being spent locally and going back into the community.

"This was the biggest project for us. With the support of the policies and procedures of ARTC Inland Rail to support businesses like ours, it shows local industry can deliver if given the opportunity."

Inland Rail is committed to working in partnership with Indigenous communities to create meaningful opportunities that deliver lasting benefits for individuals, their families, and their communities.

Maliyan Horizon's participation on Inland Rail has given the organisation a platform to diversify the skillsets of their people. Their staff are now well equipped and trained to work on other major local infrastructure projects, ensuring ongoing employment opportunities.

Meanwhile, Maliyan is keen to build on its success with the Parkes to Narromine project by exploring future project tender opportunities across the Inland Rail program.

How the investment transforms Australia's economic future



The investment in Inland Rail means that we will shift more goods onto rail and that is a smart move for a country as vast as ours. The Australian population is predicted to reach 45 million by 2060 (ABS Data 2018), with increasing demand for everyday goods putting pressure on consumer supply chains. We need a reliable and efficient rail network to meet our increasing freight needs and take the load off our already congested roads. ARTC is delivering a safer, world-class Inland Rail that will future-proof Australia's freight network for generations to come.



Improving freight network connections – north, south, east and west

Trains are now rolling on the first completed section of Inland Rail between Parkes and Narromine in NSW. Once Inland Rail is fully operational, the newly integrated North West Connection at Parkes will link Brisbane. Melbourne and the East-West line to Perth. This will reduce the freight rail distance between Brisbane and Perth and Brisbane and Adelaide by approximately 500km.



Providing an alternative North-South freight link

Creating a second link between Queensland and the southern states will make Australia's national freight rail network more resilient and able to withstand disruptions, including extreme weather events.

The Inland Rail Route is 200km shorter than the existing coastal Melbourne to Brisbane track.



Increasing the capacity of coastal networks

Reducing congestion along the busy coastal rail route will increase capacity for other passenger and freight services, particularly around Sydney's busy passenger rail network.



Decongesting road networks

Inland Rail will complement, not replace, road freight. By reducing the burden on large B-double trucks to do the heavy lifting of transporting goods around the country, we can reduce congestion on our major highways, improve road safety and lower carbon emissions.



Making the most of existing infrastructure

While the Inland Rail project involves building some new sections of track, about 65 percent of construction activity involves upgrading existing rail lines. This maximises the value of previous investments in our national rail network. Investment in Inland Rail at this time will ensure an inter-capital freight rail network that stands the test of time.

What this all means is lower costs and greater efficiencies for Australian business which makes us more competitive as a nation and helps stimulate economic growth.



The Inland Rail service offering

The primary users of Inland Rail will be producers and manufacturers across a range of sectors, transporting mostly domestic goods, including fresh food, packaged goods, hardware, white goods; and bulk goods, such as grain, produce, steel, paper and resources.

The Inland Rail service offering reflects the demands of these freight customers for a road-competitive service based on reliability, transit time, price, safety and availability.









98%

RELIABILITY

Delivers 98%

reliability

for freight

customers.



PRICE

+ Delivers competitive pricing for freight customers.



AVAILABILITY

 Delivers suitable train paths at the times that meet the needs of the market.

TRANSIT TIME

- + Delivers a transit time between Melbourne and Brisbane of less than 24 hours and an express capability.
- + Rail distance will be cut by 200km.

Meeting these elements will catalyse the modal shift from road to rail and support economic growth.



Spanning 1,700km, three states and 36 local government areas, Inland Rail is a catalyst for industry, government and communities to work together to transform how we move freight and generate new, sustainable economic opportunities for our regions.

During construction, Inland Rail will be bustling with jobs and economic activity. Once operational, it will continue to reap benefits providing a robust and reliable way of transporting goods around the country, supporting ongoing local employment and skills training, and stimulating regional economies with new investment and business development opportunities.

Independent research studies have found Inland Rail will continue to benefit regional communities for decades to come...

- + A CSIRO pilot study found local horticulture and post-processed food supply chains in the Parkes to Narromine region could save an average \$76 per tonne* in transport costs when shifting from road to Inland Rail.
- + An independent study by Ernst and Young (EY) Australia**, has revealed how Inland Rail will act as a catalyst for new business investment in sectors including logistics, warehousing, manufacturing and food and fibre processing, generating employment and growth in regional communities and enhancing long-term benefits for local producers and industry.
- + The EY Australia report also found regional Queensland, New South Wales and Victoria will see a boost of up to \$13.3 billion in gross regional product off the back of Inland Rail. The study found future investment opportunities along the rail line could generate billions in added value for communities over the first 50 years of operation.

- + Private and public sectors are already getting Inland Rail ready with state government, regional councils and industry committing more than \$500 million to complementary supply chain infrastructure investments including:
 - + special Activation Precincts in Parkes, Narrabri, Wagga Wagga and Moree
 - + two new freight hubs proposed for Toowoomba
 - + a new freight rail terminal in Parkes
- + The Australian Government is collaborating with state governments to investigate and determine the best locations for new intermodal terminals in Brisbane and Melbourne.
- *CSIRO Supply Chain Mapping Pilot study (March 2019)
- ** Inland Rail Regional Opportunities, Ernst and Young, March 2020

The Interface Improvement Program

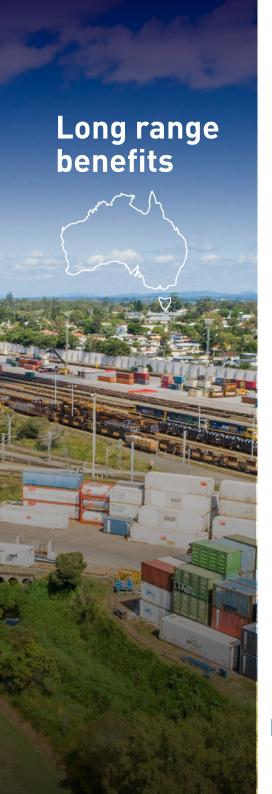
The Australian Government has committed \$44 million to the Inland Rail Interface Improvement Program (IIP) to boost the benefits that flow from Inland Rail.

The IIP supports the development of business cases that promote ideas for more productive rail-based supply chains and improvements to capacity on key regional rail lines which intersect with Inland Rail.

These ideas (proposals) can come from industry, local operators, governments and communities who are interested in taking advantage of the long-term benefits of Inland Rail.

For further information go to inlandrail.gov.au





Efficient transport is a catalyst for businesses, with Inland Rail expected to attract new and expanded investments to the regions either side of the line. Inland Rail's operation will support long range benefits including investment opportunities, ongoing employment, and add value to the goods and services produced by all industries in the regions. The potential economic benefits in the next 10, 30 and 50 years are seen in the regional overviews below*.



Queensland

- + Expanded logistics, cotton handling and abattoir facilities
- + Regional airport expansion to provide greater export opportunities
- + Food processing and mining support hubs
- + Up to 590 jobs to be supported in Inland Rail's 10th year of operation
- An up to \$3.1 billion boost to gross regional product for southern Queensland over the first 50 years of operation



Northern NSW

- + Expanded logistics and abattoir facilities
- + An intermodal freight hub to accommodate the increasing freight task
- New facilities for grain milling, food processing, mining support and consumer goods warehousing
- + Up to 310 jobs to be supported in Inland Rail's 10th year of operation
- + An up to \$1.7 billion boost to gross regional product for northern NSW over the first 50 years of operation



Southern NSW

- Expanded manufacturing, abattoir, flour milling, cotton logistics and regional airport facilities
- + Hubs for food processing, logistics and rail
- + Facilities to process almonds, mill grain, crush canola oil, process cotton, warehouse consumer goods and establish a recycling plant
- + Up to 670 jobs to be supported in Inland Rail's 10th year of operation
- + An up to \$3.8 billion boost to gross regional product for southern NSW over the first 50 years of operation



Victoria

- + Expanded intermodal freight hubs
- + New food processing capacity, which will expand over time
- + Manufacturing for timber/ paper and defence-related goods
- + Up to 940 jobs to be supported in Inland Rail's 10th year of operation
- + An up to \$4.6 billion boost to gross regional product for Victoria over the first 50 years of operation

*Inland Rail Regional Opportunities economic study, commissioned by the Australian Government from EY Australia, March 2020. The jobs support in the 10th year of operation are a number of full time equivalent positions. Gross regional product measures the value added to goods and services produced by all industries in an economic region.





1. KAGARU TO ACACIA RIDGE AND BROMELTON

Comprises 49km of existing track.

This section will be upgraded to increase height clearance to allow for double-stacked trains.

2. CALVERT TO KAGARU

Comprises 53km of new dual gauge track in the protected Southern Freight Rail Corridor.

Using 1.1km of tunnelling this section will connect Inland Rail with the Sydney to Brisbane coastal line.

3. HELIDON TO CALVERT

Comprises 47km of new dual gauge track (approximately half within existing rail corridors).

This section will cross the Lockyer Valley floodplain and the Little Liverpool Range with a 850m tunnel.

4. GOWRIE TO HELIDON

Comprises 28km of new dual gauge track.

This section will traverse the steep terrain of the Toowoomba Range and will include a 6.24km tunnel.

5. NSW/QLD BORDER TO GOWRIE

Comprises 207km of new dual gauge track – 138km in new greenfield corridors and 69km within existing corridors from the NSW/QLD border near Yelarbon, to Gowrie Junction, north-west of Toowoomba.

6. NORTH STAR TO NSW/QLD BORDER

Comprises 39km of new track utilising 27km of existing rail corridor.

This section will complete one of the key missing rail links between NSW and Qld, using the disused rail corridor or new track to connect to the operating line running to Yelarbon.

NARRABRI TO NORTH STAR

Comprises 182.8km of upgraded track and 1.7km of new track.

NARROMINE TO NARRABRI

Comprises 306km of new rail corridor and track.

This section will reduce the overall journey time and complete one of the missing rail links between Melbourne, Adelaide, Perth and Brisbane.

P. PARKES TO NARROMINE

Comprises 98.4km of existing track and 5.3km of new track.

The first section of Inland Rail to be completed (commissioned September 2020) and running double-stacked trains.



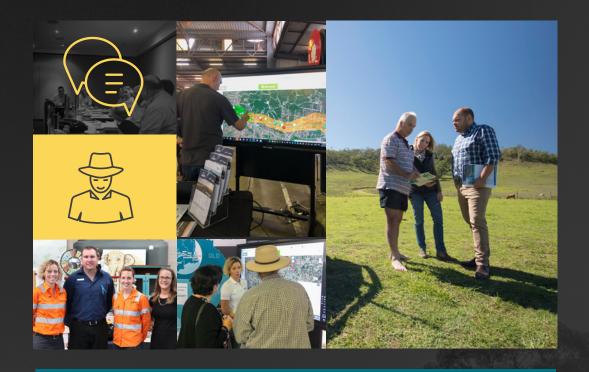
Local knowledge, better outcomes

While the Australian Government is working with state governments to streamline certain regulatory approvals processes and timeframes, we are consulting sensitively and fairly with landowners and other stakeholders on issues, including property impacts and land acquisition.

Throughout the planning (reference design) phase, we have engaged with landowners and stakeholders and responded to community concerns. That feedback has helped mitigate impacts, where possible, and improved the design of Inland Rail.

Thanks to close consultation with communities:

- + we've modified track crossings for livestock and large machinery to better support farming operations
- + we're creating additional, safer level crossings and bridge overpasses to support resident access to regional town centres
- + we're building more bridges to ensure safer crossing of floodplains for rail infrastructure and surrounding communities
- we're accommodating additional regulatory requirements into our plans, including increasing environmental offsets for work on hundreds of kilometres of existing track; and
- + we're working with councils and landowners to minimise impacts on public and private property where we can.



What is an Environmental Impact Statement?

An Environmental Impact Statement (EIS) is a publicly available document that describes the potential impacts of project works on the environment and mitigation measures for managing or lowering those impacts. The public exhibition of an EIS is a significant milestone.

During this period, community members and other stakeholders can provide feedback and make formal submissions directly to state government authorities for them to consider when assessing the project.

Under bilateral agreements between Commonwealth and State Governments, projects go to the Australian Government for final assessment and approval for matters of national environmental significance under national law.



The Australian Government is delivering Inland Rail through the Australian Rail Track Corporation (ARTC), in partnership with the private sector.