

A Better Big Australia

Joint 2024-25 Pre-budget Submission



Diverting growth into regions

Australia's population growth can be distributed into

regional economic clusters

by connecting our capital and regional cities with a

high speed rail network

- Australia can absorb 50% growth in population
- Australians will have a higher standard of living
- Housing will be more affordable
- Australians will have more choice for a liveable lifestyle



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Australia is suffering

Australia's population has boomed but infrastructure investment has not kept up, creating a housing crisis and congesting our capital cities

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Countries are rapidly investing in high speed rail infrastructure to boost their economic growth and prosperity

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Building high speed rail will make Australia more prosperous and liveable by diverting growth into regional economic clusters

Establish the foundation

Three initiatives will set the groundwork for the success of a high speed rail program that will take decades to complete



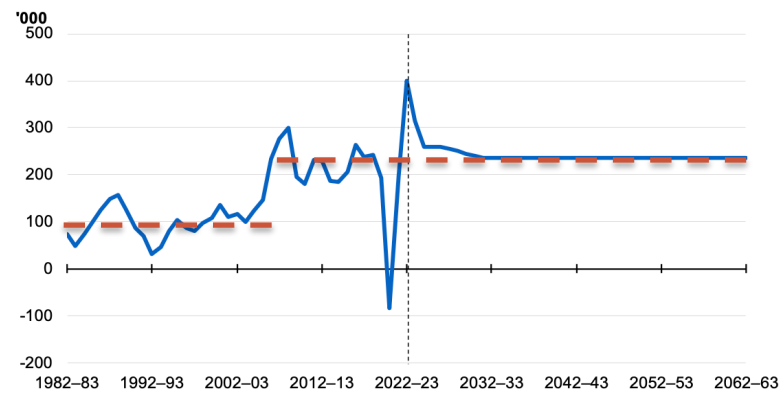
Australia is suffering

Australia's population has boomed but infrastructure investment has not kept up, creating a housing crisis and congesting our capital cities

Australia's population is booming

Australia's population growth will stay high for over 40 years

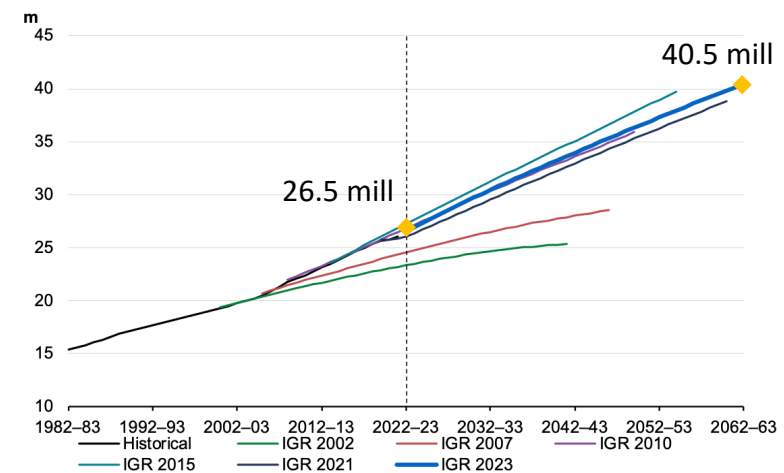
Chart 2.3 Net overseas migration



Source: Australian Government, Intergenerational Report 2023

Australia's migration rate, which doubled in mid-2000s, is predicted to remain high for the next 40 years

Chart 2.2 Population level projections across IGRs

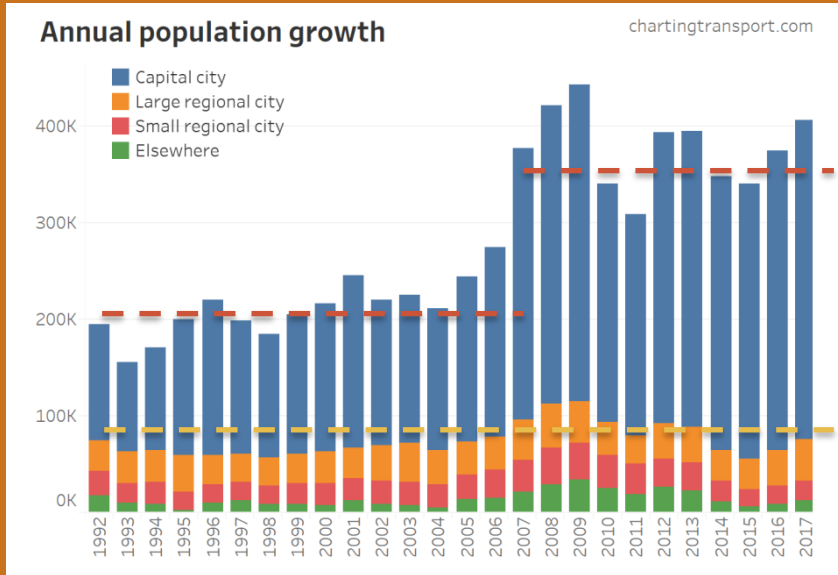


Source: Australian Government, Intergenerational Report 2023

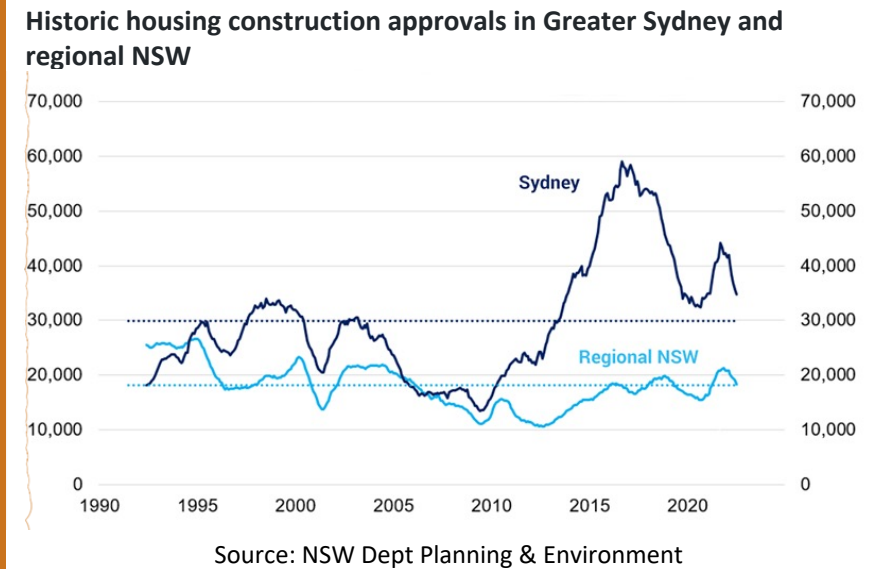
Australia's population will grow by more than 50% in the next 40 years

Our cities are not coping

85% of growth is packed into capital cities without adequate investment in infrastructure

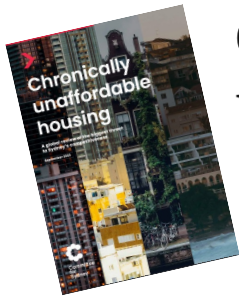


The proportion of growth in capital cities has increased as migration increased



Housing construction in Sydney spiked for a while, but has fallen back

Creating a housing crisis



Only five cities worldwide are more unaffordable than Sydney for housing,

Housing in Sydney is nearly the least affordable of any city in the world, a new report says

Housing Affordability in Sydney: A World-Ranked Crisis



Housing crisis costs Sydney \$10bn per year

Perth housing market affordability under threat

Experts fear Adelaide's housing crisis is only going to get worse

A bitter winter and nowhere else to go: Hobart housing crisis forcing people to live in tents

Hundreds rally, calling on NSW government to fight housing crisis

Rents have risen in Queensland at faster rates than in any other Australian state or territory.

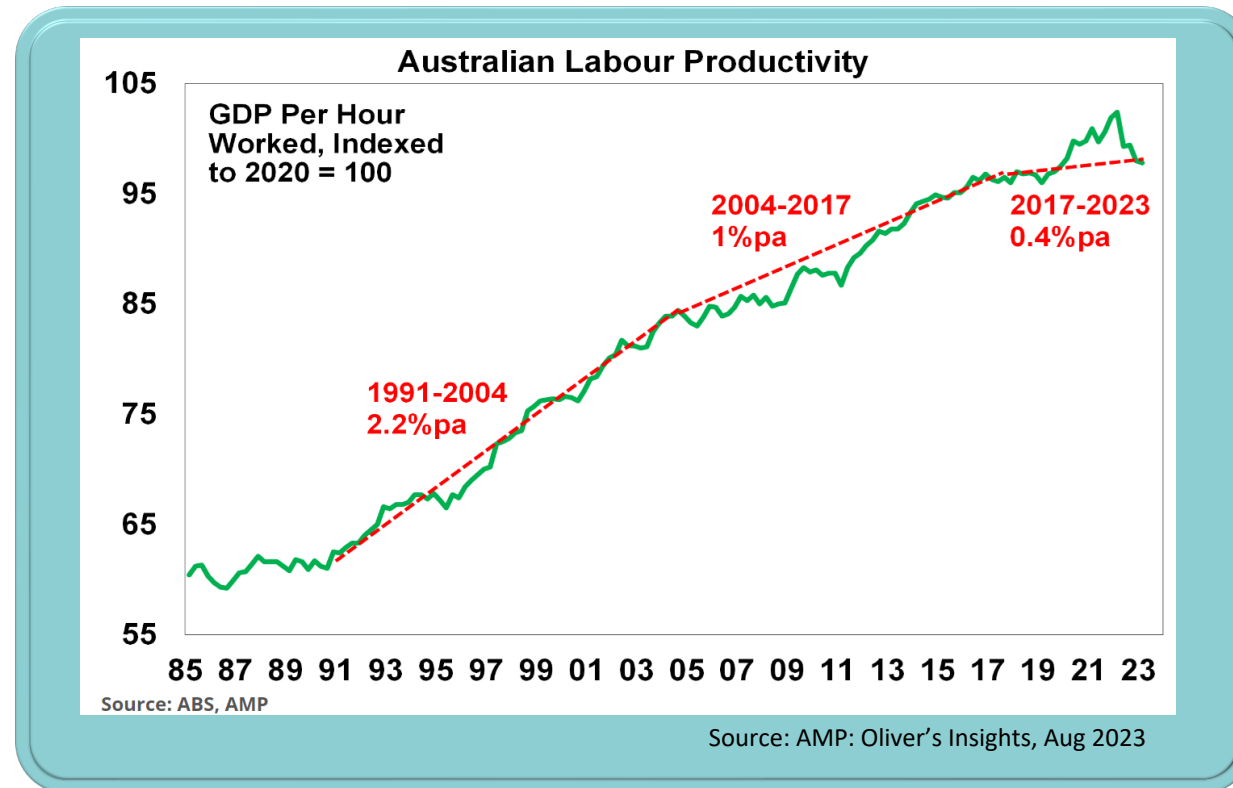
Melbourne rental crisis: Low income earners priced out of almost all of Melbourne's rental market

Housing affordability crisis: The elephant in the room stomping young Australians

Reducing our standard of living

Lower productivity growth means lower real wages growth, slower growth in profits and a reduced ability for the government to provide services

Shane Oliver, Chief Economist, AMP



There needs to be a long-term solution

Greater Sydney needs to house 1.15 million more people in the next 20 years

Sydney's population is predicted to explode — this is where people will live in 20 years

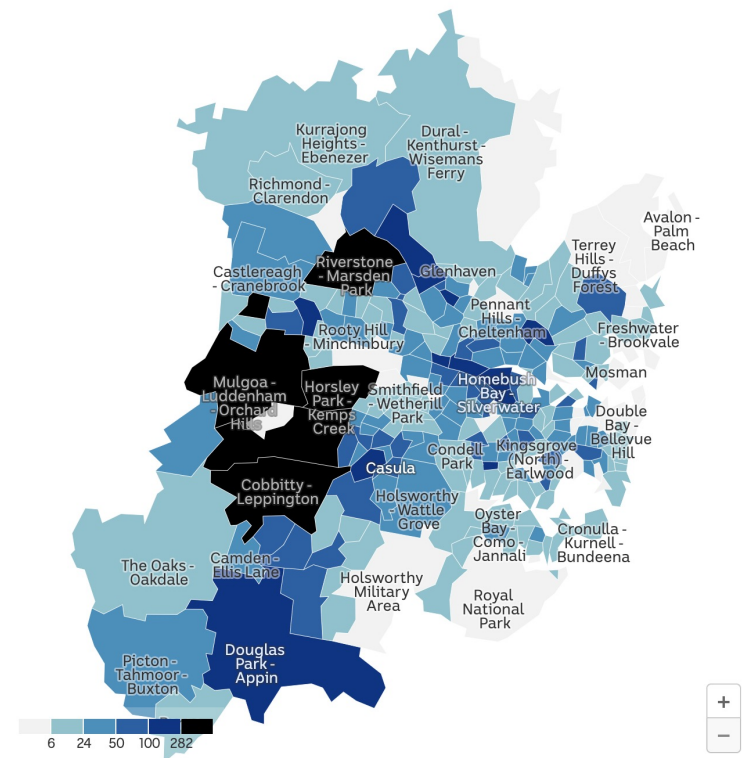
	2001	2021	2041	Increase
Greater Sydney	3.81 mill	5.01 mill	6.14 mill	1.15 mill
Regional NSW	2.72 mill	3.16 mill	3.73 mill	0.65 mill
Total	6.53 mill	8.17 mill	9.87 mill	1.70 mill

Source: NSW Government, 2022 Population Projections

Greater Sydney receives 86% of the state's net overseas migration

Source: ABS Population Projections 2018

How Sydney's population will grow by 2041



Based on ABS estimated resident population for 2020 and NSW projected populations (Pops less than 100 have been set to 0% change)

Map: ABC News / Source: ABS, NSW Department of Planning, Industry and Environment / Map data: / Get the data

Source: ABC News, 2022

The new age of high speed rail



Countries are rapidly investing in high speed rail infrastructure to boost their economic growth and prosperity

Rail infrastructure underpins productivity



Infrastructure provides agency –
It allows us to live the kinds of lives
we want to lead

- ✓ It enables us to do the things we do
- ✓ We only notice when it's not there



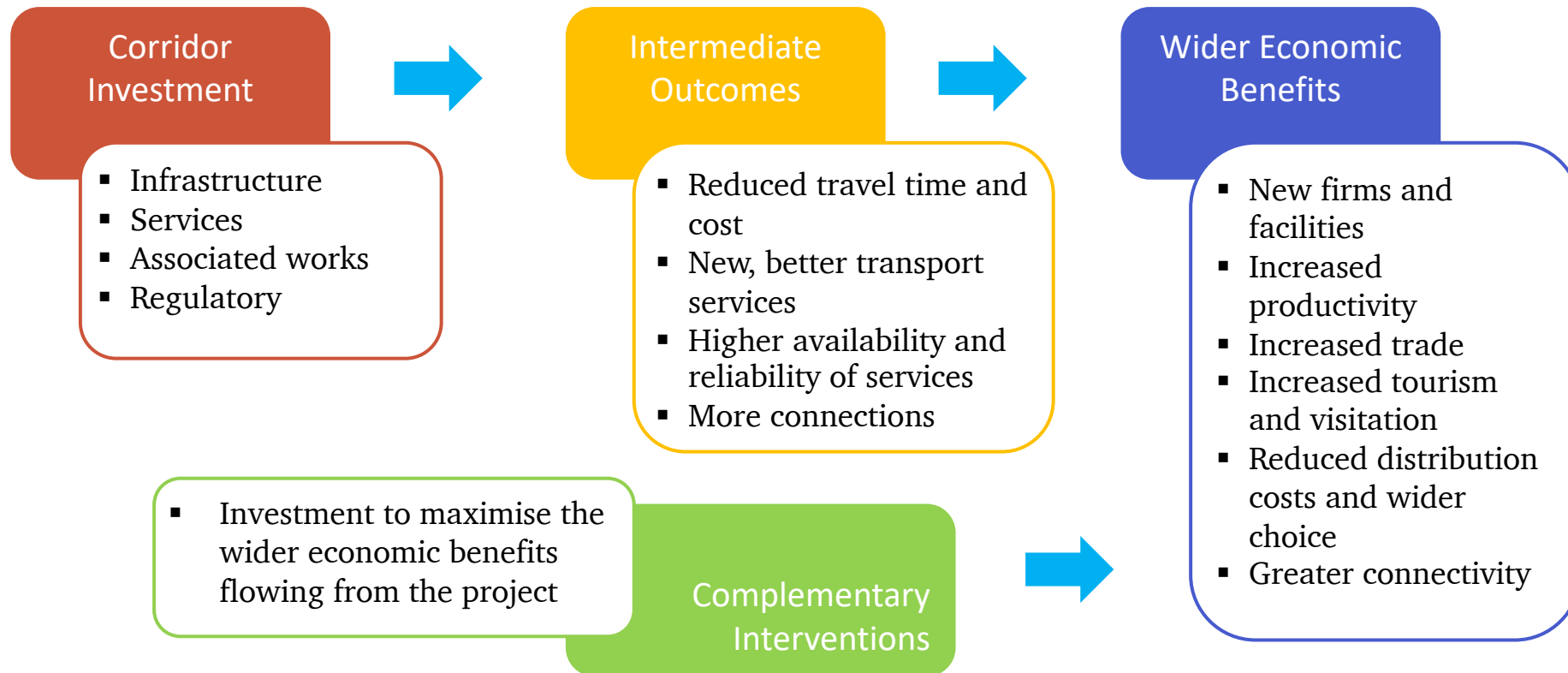
**Transport infrastructure lays the groundwork
for settlement and economies –**

It provides the freedom to choose where we live,
where we work, and what we do

- ✓ It needs to be in place before we make our choice

Transport corridors facilitate growth

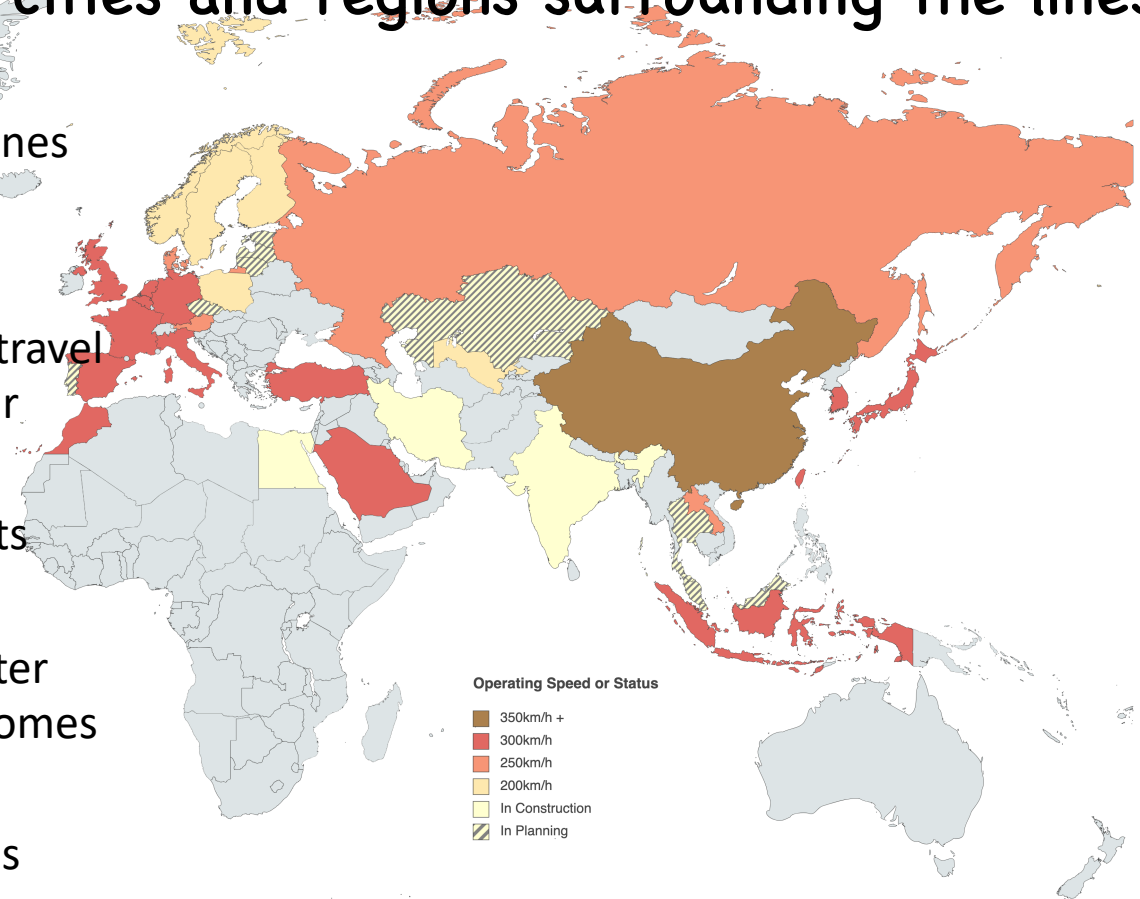
Transport corridors provide a framework for the settlement and economic development of regional areas



The rapid spread of high speed rail

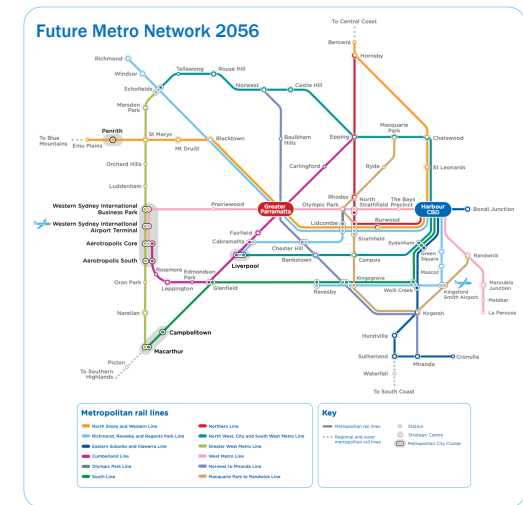
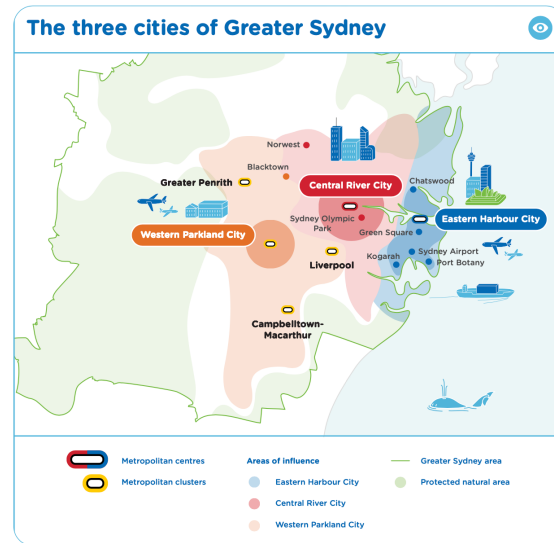
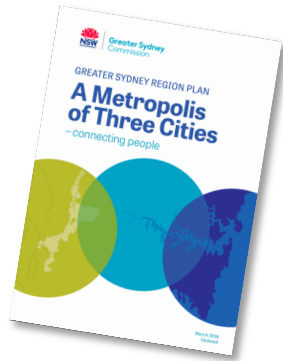
Countries are building high speed rail lines to provide rapid, comfortable travel that catalyses economic growth to cities and regions surrounding the lines

- ✓ Over 20 countries have built high speed rail lines
- ✓ High speed trains are more comfortable and relaxing than travelling by car or plane
- ✓ High speed trains are the preferred mode to travel distances up to 600kms, and compete with air over longer distances
- ✓ High speed rail promotes tourism, and attracts residents and businesses into regional areas
- ✓ Cities connected to high speed rail have greater population, bigger economies and higher incomes
- ✓ Countries with high speed rail networks have boosted the economies of their regional areas



Metros expand a city's economy

Alternative major jobs centres can be created by providing fast and efficient travel linking them to each other and surrounding economic centres



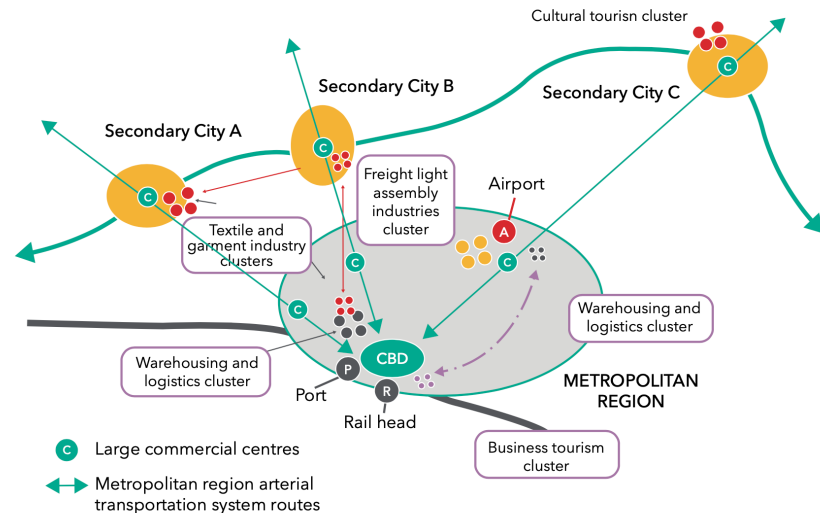
Source: Future Transport Strategy 2056, 2018

Residents have easy access to a major jobs centre. Businesses have a choice between three centres.

Based on **easy connectivity** (less than 1/2 hour) to the nearest city and between them

Regional connections create cluster economies

Clusters of firms collaborating to export products and services can be created by providing fast travel between a metropolitan centre and its adjacent cities



Regional Cluster

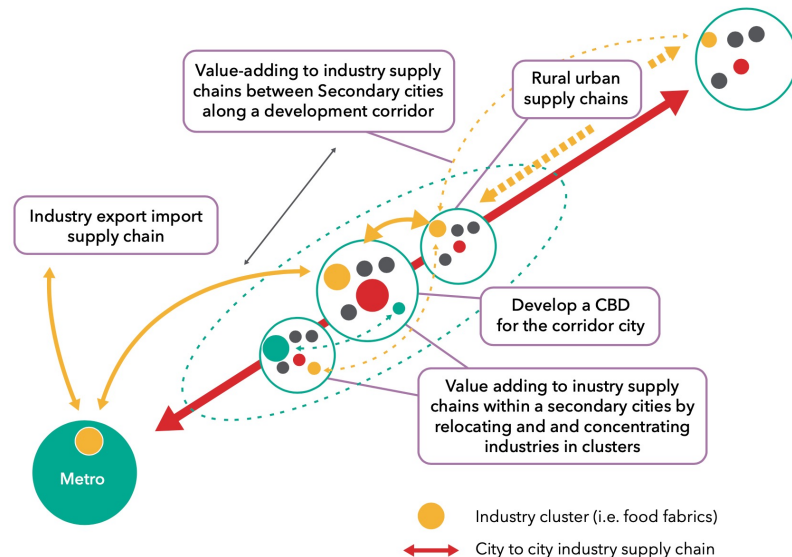
Source: Cities Alliance, Connecting Systems of Secondary Cities, 2019

Metropolitan businesses benefit by accessing more economical facilities in secondary cities. Secondary city businesses overcome scale and barriers of entry to export markets.

Based on **easy connectivity** (less than 1 hour) and the **efficient flow** of materials between cities

Corridors create a linear economy

Linear economic corridors can be created by providing easy access to passenger and freight services within a transport corridor



Linear Corridor

Source: Cities Alliance, Connecting Systems of Secondary Cities, 2019

Corridor businesses benefit by accessing a trade route, by linking service industries e.g. tourism, or by connecting regional clusters into a national corridor

Based on **efficient transport services** connecting to major metropolitan centres in the corridor



Regional economic clusters

Building high speed rail will make Australia more prosperous and liveable by diverting growth into regional economic clusters

Vision: a network of regional clusters

1. Upgrade rail lines between adjacent regional cities to build flourishing **regional economic clusters**
2. Activate the economy of each cluster by connecting them in a **high speed rail corridor**
3. Initiate urban development and industry investment to maximise **wider economic benefits**



New transport infrastructure is for our kids

New transport infrastructure will shape how our children lead their lives

Transport infrastructure is a long-lived,
capital-intensive asset
- we need to get it right



Investment in transport infrastructure must:

- ✓ Serve broad public goals
- ✓ Deliver value by improving connectivity
- ✓ Work better than current services
- ✓ Provide efficient, reliable and sustainable services
- ✓ Catalyse wider economic benefits

The goal is to increase prosperity

Creating a series of connected regional economic clusters will increase prosperity in regions and capital cities

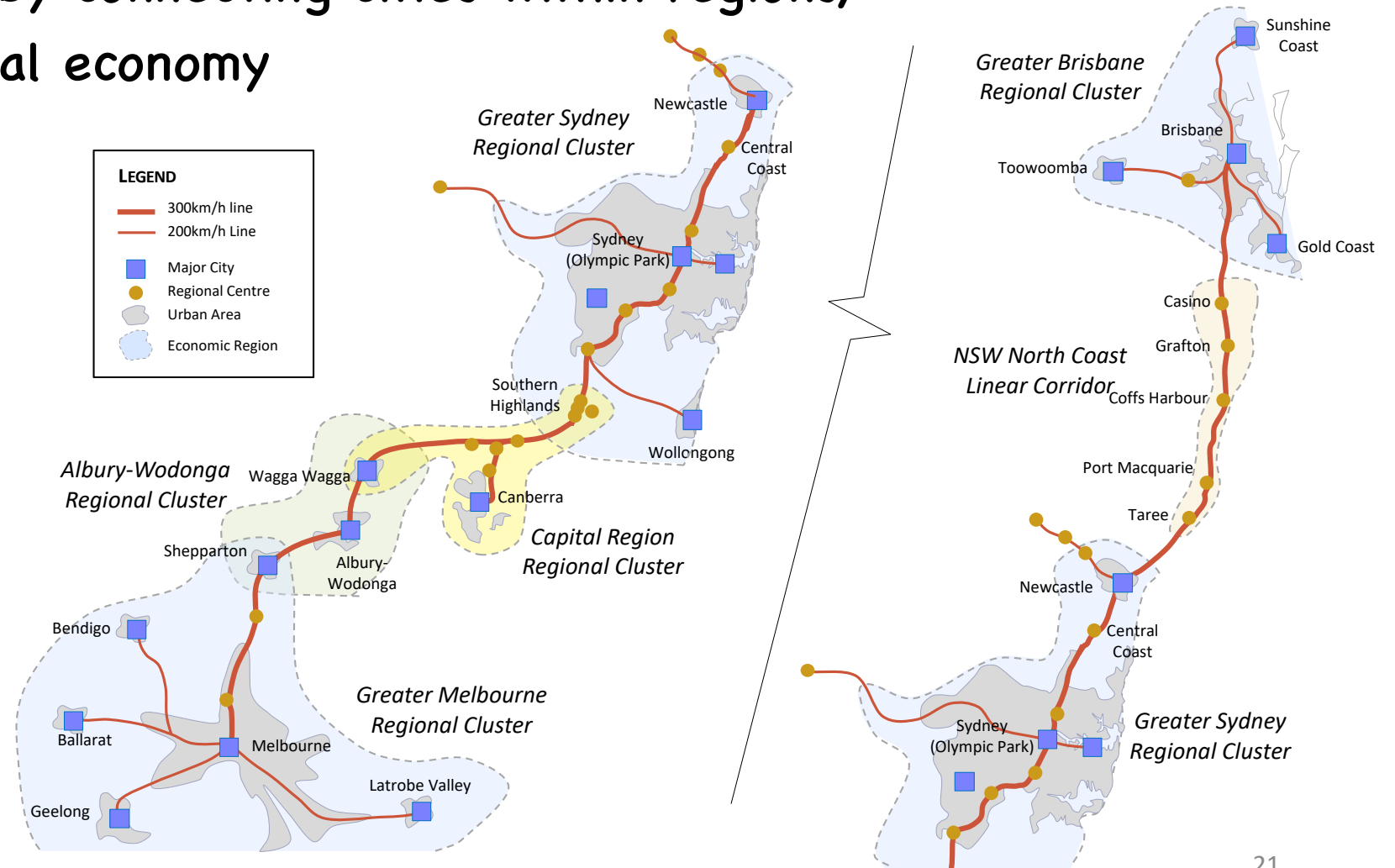
- Regional populations will increase
- Regional economies will grow
- Pressure will be reduced on housing and infrastructure in capital cities
- Australia's productivity will increase
- Liveability will be better for more Australians



The plan is to deliver connectivity

Prosperity will be lifted by connecting cities within regions, and regions into a national economy

A national rail network consisting of fast and very fast lines connecting regional cities in the southeast of Australia



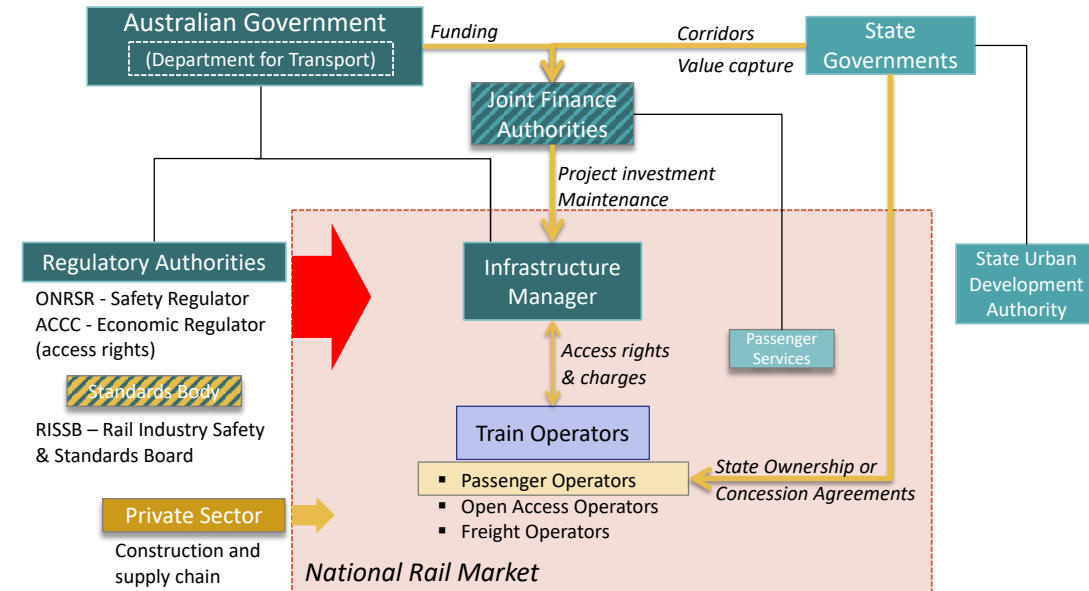
New arrangements will make it work better

New national governance arrangements will enable train operators deliver vastly improved services on an extensively upgraded rail network

Objectives

Implement vastly improved passenger and freight services across Australia

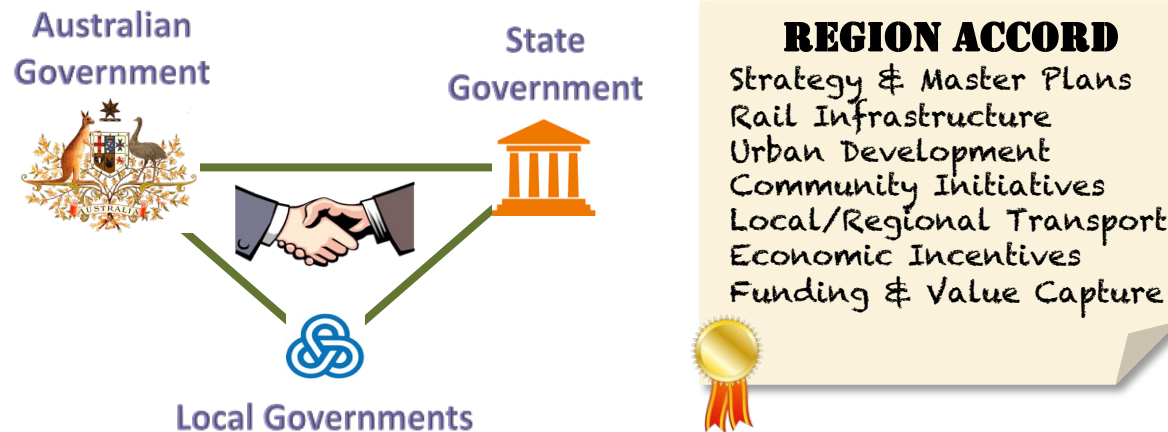
- Balance ownership and funding between federal and state government
- Establish a single national network operating to common processes and standards
- Deliver vastly improved passenger and freight services across Australia



Tri-partite agreements will maximise benefits

Tripartite growth strategies will coordinate investment to maximise the economic activity and productivity for each region

Tri-Partite Agreements



- Greater Sydney Region
- Greater Melbourne Region
- Greater Brisbane region
- Capital Region
- Albury-Wodonga Region
- NSW North Coast Region

Recommendations

10 steps to set the groundwork for the success of a high speed rail program that will take decades to complete



1. Establish a vision and framework

Establish a settlement strategy, economic case and national rail plan to guide the implementation of high speed and regional faster rail in the southeast of mainland Australia

Recommendation 1: Settlement Strategy

The Australian Government, in conjunction with State and Territory governments, should develop a national plan of settlement, providing a national vision for our cities and regions across the next fifty years. This plan should become the foundation for rebalancing future growth between existing east coast cities and new regional population centres and should be enabled by long-term, staged development of fast regional and high speed intercity rail networks.

Recommendation 2: Economic Case

The Federal Department of Transport should conduct a study to establish the economic case for a national rail network connecting all regional cities in the southeast of mainland Australia with high speed and interconnected faster rail lines.

Recommendation 3: National Rail Plan

The Federal Department of Transport should develop an overarching national rail plan that provides a strategy for the development of high speed rail and the interconnected expansion regional faster rail in the southeast mainland of Australia.

In accordance with this national rail plan's strategic priorities, the Federal Government should reserve land for new and expanded rail corridors.

2. Expand the scope of planning

Extend preliminary planning to encompass Canberra through to Newcastle, including a direct route through Sydney, and consider the potential for freight on the full Sydney–Melbourne corridor

Recommendation 4: Extend Planning Works

The High Speed Rail Authority should commence the planning for the next stages of high speed rail to be implemented in the corridors connecting Melbourne to Sydney and Sydney to Newcastle.

Recommendation 5: Direct Route Through Sydney

The Federal Department of Transport should investigate as an immediate priority the potential for a high-speed station at Rosehill, connected to the Metro West line and the Parramatta light rail line, together with a high-speed corridor through Sydney from Macarthur to Glenfield, Liverpool, Rosehill, Epping and Hawkesbury River.

The investigation should also consider the potential this would provide for further enhancing the redevelopment of the Rosehill area, together with its reinforcement of other centres or potential centres (Parramatta, Liverpool, Epping and Glenfield).

The investigation should also consider options for land value capture and the opportunity this provides to assist in funding the cost of the high speed stations and line through Sydney.

Recommendation 6: Assess Freight Implications

The Federal Department of Transport, in conjunction with the High Speed Rail Authority, ARTC and the rail freight industry, undertake a detailed analysis of rail freight in the Sydney – Melbourne corridor, and of the potential to significantly increase rail's mode share.

3. Establish governance and funding

Establish the governance arrangements to build and manage an integrated national rail network carrying both passenger and freight services, including cost-sharing arrangements based on land value capture and beneficiary pays principles

Recommendation 7: National Rail Governance

The Federal Department of Transport should commence negotiations with state governments to implement national rail governance arrangements that establishes a single national rail network for both freight and passenger services across Australia and enables its upgrade to support faster services to regional cities from either Sydney, Melbourne and Brisbane, and ultimately high speed services in the Brisbane-Sydney-Melbourne corridor.

Recommendation 8: Funding Via Land Value Capture

The Australian Government should develop cost-sharing arrangements with the State and Territory governments for major transport investments based on land value capture and beneficiary pays principles.

4. Start the first works

Commence the transition to high speed rail services in Australia by establishing a national operator of passenger rail services and building an initial section that delivers the most benefit in the least amount of time

Recommendation 9: National Rail Passenger Operator

The Federal Department of Transport should examine the establishment of a National Passenger Rail Operator to provide inter-state regular passenger trains services. These should include comfortable overnight sleeper trains as well as faster tilt-trains, and in the longer term, high-speed trains.

Recommendation 10: Build The Canberra Spur

The Federal Department of Transport, in conjunction with the High Speed Rail Authority, the NSW State Government and the ACT Government, establish a project to implement high speed rail from Canberra to Goulburn and Yass, including:

- The planning and construction of new high speed rail infrastructure, including new or upgraded stations;
- The planning and development of a new regional transport hub in Canberra;
- The planning and design of new or expanded business precincts and/or urban areas at stations along the line;
- The introduction of new fast commuter and long-distance passenger services radiating out of Canberra.



www.fastrackaustralia.net/
www.auhsr.org/