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### NEW REPORT: TIME TO PROGRESS THE INTER-REGIONAL RAIL LINK REQUIRED TO FACILITATE GROWTH

New research released today identifies the timing, costs and benefits of the game-changing rail link that will transform south western Sydney and the Illawarra, the South West Illawarra Rail Link (SWIRL), and details how it should extend from Wollongong through to St Marys.

It also delivers a concerning appraisal of the costs of delay, both social and economic, in addressing rail constraints in two regions with booming populations, growing freight demand and rail connectivity that is either ageing, reaching peak congestion or absent altogether.

The research is a cross-regional collaboration designed to progress thinking on rail connectivity between the two regions and was commissioned by the Illawarra's peak business leadership group, Illawarra First, supported by Wollongong and Wollondilly councils, and undertaken by the University of Wollongong's SMART Infrastructure Facility.

The report outlines the need for a passenger and freight orbital rail connection linking St Marys to Wollongong via the Aerotropolis at the Western Sydney Airport (WSA); a \$3.2 billion project that will deliver a cost-benefit ratio (BCR) of 1.05 on a highly conservative discount rate. The NSW Treasury considers any project with a BCR of more than one to be a viable investment.

SMART have recommended that this solution be based on the SWIRL to minimise the cost compared against other contemporary freight and passenger solutions such as the Western Sydney Freight Link or Sydney Metro. The proposal benefits from cost savings realised by utilising an existing rail corridor, the Maldon to Dombarton freight line, as well as the relatively under-developed areas between Picton and St Marys, west of the planned site of WSA at Badgerys Creek.

Unlike existing government thinking on the Outer Sydney Orbital, which is slated for 2056, or any future 'fast rail' proposals which presumably will be delivered even later, SMART have recommended the first stage of the SWIRL be delivered from 2041.

Previous Illawarra First research in 2017 found the SWIRL to be the most cost-effective rail project to overcome the peak rail congestion timeframe facing the Illawarra, which Transport for NSW believes to be coming as soon as 2036.

This new evidence base considers major developments that have occurred since, including the development of WSA, the Aerotropolis (together with its 100,000 jobs), the metro line connecting it to St Marys (and potentially Macarthur) and the population growth of both the Illawarra (60,400 additional residents by 2050) and the Wollondilly (50,000 additional residents).

Executive Director of the Illawarra Business Chamber, Adam Zarth, said that Illawarra First has led regional advocacy on the rail line since its inception in 2017, but that the new research updated and expanded the evidence, recommending that government begin planning to deliver the first stage of the project by 2036.

"The business communities and local governments of this broader region want to see action on planning rail connectivity to facilitate the population and economic growth of the Illawarra and south-western Sydney," he said.

"This report provides a compelling case for a south-western rail link to be constructed by 2036 to allow residents of the Illawarra and Wollondilly ready access to the 200,000 jobs that will be created in Western Sydney over the next 20 years, and avoid \$229 million in economic losses associated with restrictive freight capacity and \$680 million in productivity losses due to commuting by 2041."

"The first stage of a South West Illawarra Rail Link will be necessary by 2036, on account of freight and passenger congestion on the South Coast Line, in preparation for the planned container terminal at Port Kembla and to connect the growing population at Wilton."

"Our ask is neither unreasonable or impossible; but rather we have ensured this research is based on the NSW Government's own rail data, freight numbers from NSW Ports and the sober economic analysis methods employed by Treasury."

"The report recommends that Transport for NSW commences planning as soon as possible, and that Infrastructure Australia updates its priority list to acknowledge the SWIRL-Maldon corridor as a future 'alternative rail alignment to the Port'. Planning must move beyond a dotted line on a map and cannot rely on 'fast rail' concepts that will only serve future generations," said Mr Zarth.

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**Report:** A summary is <u>attached</u> and the complete report available on request.

### STATEMENTS OF SUPPORT

# Key Illawarra First members, and major regional employers, have lent their support.

<u>NSW Ports</u>: "Ensuring that the right infrastructure is in place to efficiently cater for NSW's growing trade needs is crucial to the economic growth and productivity of the State. SWIRL is critical to the efficient movement of freight to and from Port Kembla. It will provide enhanced, direct rail connectivity between Port Kembla and the growing regions of Western and South West Sydney and reduce the growth in trucks on the road network. This report highlights the cost of freight rail constraints, which by 2041 will cost the regional economy \$230 million annually," said Marika Calfas, CEO of NSW Ports.

<u>University of Wollongong</u>: "I'm proud that the University's SMART Infrastructure Facility has built a clear case for the development of this much-needed rail link to connect our region's population to jobs, and importantly, bring those from all over Greater Sydney here for education, recreation and employment as well," said Paul Wellings CBE, Vice Chancellor of University of Wollongong.

<u>BlueScope</u>: "BlueScope is very supportive of this project as we believe it is an important piece of infrastructure that will connect the Illawarra to Western Sydney. Anything that improves supply chain efficiencies and lowers transport costs, while strengthening connectedness, can only be a good thing for our community," said Dave Bell, BlueScope's General Manager Manufacturing.

## Research partners, Wollongong City Council and Wollondilly Shire Council, provided significant support for the research.

<u>Wollongong City Council</u>: "Our future prosperity is linked to south-western Sydney and planning needs to commence now to secure requisite corridors and give the community confidence that their needs are being considered by government," said Cr Gordon Bradbery AM, Lord Mayor of Wollongong and Chair of the Illawarra Shoalhaven Joint Organisation.

"Our commuting population is expected to rise from 26,000 to 46,000 by 2041. This report confirms that without intervention, the productivity loss due to commuting will cost the broader regional economy \$680 million."

"More secure, fast and reliable transport links to South West Sydney, and the Sydney metropolitan area generally, not only benefits the Illawarra but is in State's interest".

<u>Wollondilly Shire Counci</u>I: "We were pleased to support this research, which has shown that our population growth at Wilton will necessitate the construction of a station and a rail connection to the Main Southern Line - delivered most cost-effectively by the South West Illawarra Rail Link proposal," said Cr Robert Khan, Mayor of Wollondilly.

"Our Economic Development Strategy outlines plans to grow 10,000 additional local jobs by 2041, and this evidence suggests that this will not be supported without the SWIRL for effective freight and commuter connections to the South Coast and Sydney jobs centres, including the aerotropolis."

#### State Members of Parliament have also lent their support to the research.

<u>Ryan Park MP</u>: "I welcome this report that again outlines the importance of continuing to examine how investment in rail across the region will not only enhance the movement of freight but also take pressure of existing commuter corridors particularly those linking the Illawarra to the growing region of south-west Sydney," said Ryan Park MP, Member for Keira.

"I look forward to continuing to work with organisations like the Illawarra Business Chamber and SMART to develop and advocate for evidenced based solutions to both the freight and passenger challenges the existing rail network and road infrastructure will face going forward."

<u>Nathaniel Smith MP</u>: "Improved public transport connectivity between Wollondilly and employment centres is important to residents, and will become more so as the population grows as expected," said Nathaniel Smith MP, Member for Wollondilly.

"This research provides compelling arguments for a passenger line through Wilton, linking the Wollondilly Shire with the Illawarra and Greater Sydney, and warrants further examination by government."

<u>Paul Scully MP</u>: "I have always said that it is critically important that Wollongong has strong infrastructure connections to the economic growth areas of south-west and western Sydney and this report reinforces that this can be achieved effectively and efficiently with the SWIRL," said Paul Scully MP, Member for Wollongong.

"With the new Western Sydney Airport underway it is now more important than ever that the work is done to make sure the infrastructure will also be in place to connect regions like the Illawarra to the airport from the arrival of the first flight."