



6 December 2019

Mr John Alexander OAM MP
Committee Chair
House of Representatives Standing Committee
on Infrastructure, Transport and Cities

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Dear Chair

OPTIONS FOR FINANCING FASTER RAIL

We welcome the federal government's interest in improving rail travel times between major economic centres across the nation, and for specifically identifying Sydney to Wollongong as one of the fast rail corridors in the [Faster Rail Plan](#), page 4.

RDA Illawarra has a strategic priority to support enabling infrastructure to improve connectivity and unlock investment opportunities. Fast Rail has the potential to provide game-changing infrastructure to the Illawarra region, as well as provide significant economic growth for not only our region, but also the nation. The impact in the Illawarra would be comparable to the recently funded Melbourne to Geelong fast rail link.

There are significant parallels between Geelong and Wollongong, including the fact that the population for the Illawarra region is 311,193 compared with 324,067 in the G21 councils region and the Illawarra's Gross Regional Product of \$19 billion, being close to the G21's \$18 billion.

The Illawarra is home to the third largest city in NSW, Wollongong, with the world-ranking University of Wollongong, a highly educated workforce and 23,000 people (or 18% of the working population) who commute to Sydney for work. Like Geelong, Wollongong has a deep-water port at Port Kembla that has significant capacity to grow in both throughput and diversity of trade.

Wollongong is only 80km away from Sydney, but its connectivity is lagging with road corridors reaching peak congestion by 2025 (Mt Ousley and Picton Road). Infrastructure NSW has predicted that the South Coast Rail Line will reach freight congestion by 2030. Furthermore, rail connectivity to Greater Sydney via the South Coast Rail Line is slow, with an average speed of 56 km/hour and some single-track areas leading to slow rail journeys which average 1 ½ hours each way. The uncompetitive rail journey leads to more road congestion, as the majority of Illawarra commuters (around 65%) choose to drive.

The House of Representatives Standing Committee on Infrastructure, Transport and Cities has called for responses to the question of Options for Financing Faster Rail.

It is our view that the government should be open to all financing models for faster rail projects. These major infrastructure projects could include private financing, along with state and federal contributions, in the models. Furthermore, the option of value capture could also form part of the financing models.

The Illawarra's current state of connectivity is lagging. However, our future infrastructure connectivity is also growing in importance, especially given the growing population centre of south western Sydney and the development of the Aerotropolis and Western Sydney Airport. These developments are critical to our state's future and the Illawarra, as a near neighbour, could play a critical role in adding value to the NSW Government's capacity to grow the economy, should greater connectivity be achieved.

A faster rail connection between Sydney and Wollongong would consolidate the corridor's significant role to the nation's economy and could unlock more affordable housing opportunities in the region by reducing journey times between Sydney and Wollongong to just over half an hour. This would be a game-changer to the Illawarra's economy.

We look forward to the Standing Committee's findings and are available to provide further information on the Illawarra region, if required.

Yours sincerely

Debra Murphy
CEO