

18 June, 2017



Inland Queensland Roads Action Plan

*Driving Productivity
in Australia's Transport Network*

Mr Tim Nicholls MP
Leader of Opposition
Shadow Minister for Arts and Major Events
PO Box 15057
CITY EAST QLD 4002

Dear Mr Nicholls

RE: Offering IQ-RAP evidence to inform the development of LNP Roads Policy

On behalf of our IQ-RAP Working Group Deputy Chair Cr Jane McNamara, Working Group representative Mr Michael Roth, (former) Head of Policy RACQ and IQ-RAP Secretariat and CEO RDA Townsville and North West Queensland, Ms Glenys Schuntner, I would like to thank your Advisor Nelson Savanh for meeting with us in Brisbane on Wednesday 10 May 2017, for a briefing on the IQ-RAP with your Shadow Ministers.

I understand due to parliamentary commitments on the day you were unable to attend this meeting. We look forward to a future opportunity to meet with you to provide an update since our briefing on the IQ-RAP last year on behalf of the 49 funding partners, including 33 local governments.

We have welcomed your announcement on building roads and bridges as part of the five key priorities for the LNP – including “creating jobs, building stronger families, providing safe and liveable communities, delivering a better government and building roads, bridges and dams”, as quoted in the Townsville Bulletin on 7 March, 2017. We have also welcomed the announcement of LNP’s “New Deal” for Regional Queensland.

According to the website of the Department of Transport and Main Roads Queensland, Queensland's freight task is rising rapidly, and is forecast to increase by 89% from 871 million tonnes in 2010-11 to between 1,643-1,741 million tonnes by 2026. Only 29% of freight is currently on rail and current costs and investment plans would suggest we are far from changing this pattern apart from potential growth in bulk coal exports.

The IQ-RAP Working Group would like to take this opportunity to offer our plan and evidence base to you for your development of the policy platform for building roads and bridges in regional Queensland. We congratulate and support the on-going commitments to the Bruce Highway upgrades. *We would like to also encourage you to consider the business and community needs of the vast inland Queensland road network that carries much of the agricultural freight, most of the livestock freight, the over-mass vehicle movements for mining and agricultural businesses and most of the logistics sector distribution of goods including fuel and food to and from regional Queensland as well as tourists from other parts of Queensland and Australia.* The 33 local government IQ-RAP partners, across 15 state electorates, invested in the project and development of the plan given the importance of the road network to their councils, communities and businesses and future sustainability. This strategic and collaborative partnership has delivered IQ-RAP to provide well-researched, objective evidence as input to policy.

As discussed with Nelson, IQ-RAP is an initiative to create jobs, improve productivity, open up new tourism opportunities, ensure better road safety outcomes and build more resilient connectivity in regional Queensland. Such benefits will not only accrue to those who live in regional Queensland, but also businesses, consumers and tourists in South East Queensland and coastal areas that rely on the network for movement of goods and services and access to tourism destinations.

As an example of the state-wide relevance of IQ-RAP, including Brisbane, I note that Brisbane Markets Limited (BML) has acknowledged the relevance and importance of the regional road network to companies like theirs in Brisbane. The following are some quick facts about Brisbane Markets Limited, a key agricultural sector business.

- In excess of 7,000 growers supply produce for sale at the Brisbane Markets.
- *More than 600,000 tonnes of produce are moved per annum worth more than \$1.3 billion with much of the product travelling on regional Queensland roads.*
- 54 primary wholesale businesses operate at the site as well as an additional 90 support businesses.
- Up to 4,000 people work or do business at the Brisbane Markets on a daily basis.

Another example of a major South East Queensland employer and employees relying on the regional Queensland road network is JBS Australia. Their operations at Dinmore process 3,350 head of cattle per day. They are the largest employer in the Ipswich area with 2,000 employees. They all rely on the cattle arriving from regional Queensland but currently the freight network is not efficient as it could be. Costs to deliver cattle to an export port with the most freight efficient vehicle access (e.g. Townsville) are much lower than costs to deliver cattle to this abattoir. The only abattoir in Queensland with freight efficient vehicle access is located in Rockhampton. To grow the cattle industry and remain competitive to access the new Free Trade Agreement benefits, some strategic investment into the quality and productivity of the regional Queensland road network is critical.

From another road-user perspective, I note that RACQ with more than 1 million members has named IQ-RAP as one of its top five advocacy priorities given the road network's importance to regional and city members who drive for holidays or business. Brisbane is an important source market for the drive tourism market in Queensland along with southern and international visitors; and in total the drive tourism market is worth \$1.9 billion p.a. and has significant growth opportunities. Our local governments are very keen to increase tourism. With less than 3% of the share of the tourism market, the Outback region is very keen to invest in road quality and safety to catalyse an increase in visitation, expenditure, jobs and investment attraction.

Since February 2016 we have engaged extensively with leaders of peak industry bodies and continue to receive very positive feedback on the relevance and importance of this project to their industries – such as mining (eg Queensland Resource Council), agriculture (eg Queensland Farmers' Federation), tourism (eg Queensland Tourism Industry Council), transport and logistics (eg Queensland Trucking Association and Queensland Transport and Logistics Council).

As a follow up to our meeting with your Shadow Ministers and Nelson, the Working Group would welcome a written response with advice on your level of support for this initiative. We have appreciated your letter of support to Minister Frydenberg in the past.

We would welcome further support, such as the following.

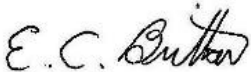
1. **Inclusion of IQ-RAP in the LNP policy platform for the next election** – and naturally we would be happy to work with your policy staff on this. We can make available the evidence from the IQ-RAP which identifies and prioritises road and bridge improvements across the strategic freight and tourism routes over an area of 1.4 million km² covered by 33 local governments making up 82% of Queensland. Given electoral and budget cycles, we could break the forecast investments down to a 10 year plan like the Bruce Highway or to a four to five year plan. We can also demonstrate that local governments and local businesses are usually the most cost competitive suppliers of the types of road construction required in IQ-RAP delivery, ensuring value for money and local on-going jobs. This is particularly the case in remote and very remote areas.
2. A letter of support for IQ-RAP addressed to the Chair, Cr Rick Britton

3. A letter of support and advocacy to the Minister for Infrastructure and Transport the Hon Darren Chester to support IQ-RAP through the funding of economic and social benefits analysis to build the strategic business case to take it forward in programming with copies to: the Deputy Prime Minister and Minister for Agriculture and Water Resources the Hon Barnaby Joyce MP, the Minister for Regional Development Senator the Hon Fiona Nash and the Minister for Northern Australia Senator the Hon Matt Canavan
4. Mention of support for IQ-RAP in newsletters and other communications

Thank you for your consideration of IQ-RAP to support economic development and create jobs in Queensland. Please do not hesitate to contact me on 0407 122 430 or through our Secretariat Glenys Schuntner on 07 4410 3655 (B), 0417 198 284 or ceo@rdanwq.org.au in regard to any questions.

I note that I will be in Brisbane on 23 June to provide evidence to the hearing on the financial sustainability of councils and also attend a cross- departmental meeting on IQ-RAP. Hence I would welcome the opportunity to meet on that date should you be available at such short notice or alternatively I will take be happy to take your advice if there is an opportunity to meet in regional Queensland or in Brisbane in coming weeks.

Yours sincerely



Cr Eric (Rick) Britton
Chair, IQ-RAP Working Group

CC: Deputy Opposition Leader and Shadow Minister for Infrastructure, State Development, Trade and Investment
Ms Deb Frecklington
Shadow Treasurer Mr Scott Emerson
Shadow Minister for Tourism, Sport and Racing Mr Jon Krause
Shadow Minister for Agriculture, Fisheries and Forestry Mr Dale Last
Deputy Chair IQ-RAP Working Group, Cr Jane McNamara
Deputy Chair IQ-RAP Working Group, Cr Tom Gilmore
Working Group Member, Mr Greg Miskowycz, Principal Traffic and Safety Engineer, RACQ
IQ-RAP Partner, Mr Paul Turner, Chief Communications Officer, RACQ
Secretariat IQ-RAP Working Group and CEO RDA Townsville and North West Queensland, Ms Glenys Schuntner

Encl: Updated IQ-RAP Overview June 2017