

CHAPTER 14

Economic

ALBURY TO ILLABO ENVIRONMENTAL IMPACT STATEMENT

ARTC

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14. Economic

This chapter is a summary of the potential economic impacts of the Albury to Illabo (A2I) section of the Inland Rail program (the proposal). The assessment is provided in Technical Paper 5: Economic.

14.1 Summary

During construction of the proposal, local economies would likely experience increased employment and training opportunities, with an estimated workforce of up to 770 personnel required during the peak construction period. Flow-on local and regional economic benefits would also be generated, as the proposal would create opportunities for the supply of materials and services in the regional study area. During engagement with key stakeholders, local businesses raised the importance of communication about the proposal's construction timeline to ensure they are prepared to contract to the Inland Rail program. Business chambers, Regional Development Australia committees, and councils also raised concerns that Inland Rail is not considering its program within the context of the wider regional setting and the workforce demands of the proposal will cause negative impacts to the local economy, instead of opportunity for local businesses. In response to these concerns, a workforce management plan and an industry participation plan would be prepared and implemented to carefully manage and mitigate these impacts during construction of the proposal.

The inflow of the workforce into the local area would create demand for short-term accommodation, particularly during scheduled rail possessions when works would occur concurrently in multiple enhancement sites. The accommodation requirements for the proposal would compete with accommodation demands from the tourism, local business and agriculture sectors. Wagga Wagga and Junee, in particular, would experience change during peak construction periods with a large influx of workers using short-term accommodation during the scheduled rail possessions in March and September 2024. Without mitigation, this demand would have an impact on the local economy when short-term accommodation demand is high. As outlined in Chapter 13: Social, a workforce accommodation strategy would be prepared to manage demand on local accommodation and detailed construction planning would look to scheduling opportunities to minimise the peak demand on the short-term accommodation market.

Construction would also result in temporary changes to local amenity and local transport connectivity, which may result in disruptions to local businesses (including tourism). A low, temporary, economic impact may occur for local businesses surrounding the proposal due to the temporary road closures and loss of parking. However, businesses may obtain additional income through the presence of the construction workforce, which may offset potential negative impacts.

During operation, the proposal would provide a more direct rail freight corridor, supporting the more efficient movement of intrastate and interstate freight. The proposal offers opportunities to improve the productivity of the local industry by reducing the distance between dispersed agricultural activities to processing and markets. The proposal would increase competition between road and rail freight modes, driving savings in freight costs that would benefit producers, consumers, and the regional economic catchment area. The proposal would not result in significant changes to travel times or distances by road transport, with no permanent impacts on agricultural land or significant impacts on the tourism industry.

14.2 Approach

14.2.1 Secretary's Environmental Assessment Requirements

The Secretary's Environmental Assessment Requirements (SEARs) related to economic impacts, and where in the environmental impact statement these have been addressed, are detailed in Appendix A: Secretary's Environmental Assessment Requirements.

14.2.2 Relevant legislation, policies and guidelines

The assessments were undertaken in accordance with the SEARs and with reference to the requirements of relevant legislation, policies and/or assessment guidelines, including:

- ▶ *The National Freight and Supply Chain Strategy 2019* (Transport and Infrastructure Council, 2019)
- ▶ *Australian Infrastructure Plan 2016* (Infrastructure Australia, 2016)
- ▶ Transport and infrastructure strategies prepared by the NSW Government, including the *Future Transport Strategy 2056* (TfNSW, 2018a), *Future Transport—Regional NSW Services and Infrastructure Plan 2056* (TfNSW, 2018c) and *NSW Freight and Ports Plan 2018—2023* (TfNSW, 2018b)
- ▶ *Riverina Murray Regional Plan 2036* (Department of Planning and Environment (DPE), 2017)
- ▶ *Regional Freight Transport Plan 2016* (Riverina Eastern Regional Organisation of Councils (REROC), 2016)

- ▶ *Albury–Wodonga Regional Economic Development Strategy 2018–2022* (NSW Government, 2018)
- ▶ *Wodonga Growth Strategy 2016* (Wodonga Council, 2016)
- ▶ *Albury Community Strategic Plan 2030* (Albury 2030) (Albury City Council, 2017)
- ▶ *Greater Hume Shire Economic Development and Social Plan 2017–2022* (Greater Hume Shire Council, 2017)
- ▶ *Lockhart Shire Tourism and Economic Development Strategy 2016–2026* (Lockhart Shire Council, 2016)
- ▶ *Wagga Wagga Community Strategic Plan 2040* (Wagga Wagga City Council, 2016)
- ▶ *Junee Community Strategic Plan* ('Making Tracks') 2035 (Junee Shire Council, 2017)
- ▶ *Environmental Planning and Impact Assessment Practice Note: Socio-economic Assessment* (Roads and Maritime Services (RMS), 2013)
- ▶ *Infrastructure Proposals on Rural Land Primefact 1063*, second edition (DPI, 2013)
- ▶ *NSW Invasive Species Plan 2018–2021* (DPI, 2018b)
- ▶ *Land Use Conflict Risk Assessment (LUCRA) Guide* (DPI, 2011)
- ▶ *Aboriginal Procurement Policy* (NSW Government, 2021)
- ▶ *Social Impact Assessment Guideline 2021* (NSW Department of Planning, Industry and Environment (DPIE), 2021).

14.2.3 Methodology

Study area

This economic assessment considers local and regional economic impacts. This assessment required two areas to be defined:

- ▶ the study area: considers the Wodonga, Albury, Greater Hume Shire, Lockhart, Wagga Wagga and Junee local government areas (LGAs). The Wodonga LGA in Victoria has been included in the study area as Albury–Wodonga functions as an integrated economic area
- ▶ regional economic catchment area: defined by the Murray and Riverina statistical areas Level 4 (SA4) to capture the labour market region applicable to this proposal.

Key tasks

Key steps for the economic impact assessment are summarised as follows:

- ▶ reviewing relevant guidelines, policies and strategic plans to determine the existing and future proposed characteristics of the study area
- ▶ preparing a profile of the existing economic environment based on a review of the following information:
 - ▶ ABS 2016 Census of Population and Housing
 - ▶ ABS Regional Population Growth, 2019–20
 - ▶ NSW population and household projections, (NSW Government, 2020)
 - ▶ Australian Government's Small Area Labour Markets publication, March 2021
 - ▶ ARTC-led consultation with local businesses and the community
- ▶ identifying the potential economic benefits and impacts on affected local and regional communities, and businesses
- ▶ assessing the projected economic benefits of the proposal, informed by the results of the cost–benefit analysis that was carried out for the Inland Rail Program
- ▶ assessing the economic significance of the proposal on regional, state and national economies
- ▶ evaluating the potential cumulative impacts on local and regional economies from the construction and operation of related projects
- ▶ identifying measures to avoid, minimise and manage the potential impacts identified.

Further information on the guidelines and methodology used are in Technical Paper 5: Economic.

The regional impact analysis presented in Technical paper 5: Economic was completed prior to refinements made to the construction schedule presented in Chapter 8: Construction of the proposal. The refinement in the construction schedule would have a minor effect on the economic benefits identified in this assessment.

14.2.4 Key risks

An environmental risk assessment was undertaken for the proposal (refer Appendix E: Environmental risk assessment). Potential economic impacts with an overall assessed pre-mitigated risk rating of medium or above are:

- ▶ property acquisition or termination of existing leases and associated business impacts
- ▶ temporary impacts to access, visibility or amenity of businesses.

The economic impact assessment considers the potential risks identified in Appendix E: Environmental risk assessment), in addition to the potential risks, issues and impacts identified by the scoping report, the SEARs and relevant guidelines and policies (as appropriate).

14.3 Existing environment

The following sections describe the key economic characteristics of the study area, including the existing regional and local economic environment. Unless otherwise stated, all information contained in this section has been drawn from the *ABS 2016 Census of Population and Housing*. Discussion of the population characteristics within the study area are in section 13.2 of this Environmental Impact Statement (EIS), and section 4.1 of Technical Paper 5: Economic.

14.3.1 Local and regional economy

This section is a summary of the key features of the economy of the study area. Further discussion is in Technical Paper 5: Economic. Details on the labour market and employment characteristics are in section 13.2.1.

Labour availability in construction

Of the total workforce within the study area, nine per cent were employed in the construction industry. The study area has a higher proportion of technicians and trades workers (15.5 per cent) and labourers (10.9 per cent) compared to the NSW averages.

The largest proportion of businesses in the study area are in the construction industry. In addition to this, while transport is not a significant industry in the study area, there are numerous large transport companies based in the study area, which may have the capacity to support construction.

COVID-19 has disrupted labour supply chains and is continuing to cause fluctuating labour availability and conditions, particularly due to changing government restrictions. With strong rail construction industry activities occurring over the next five years, workforce demand in rail construction is expected to peak in 2023–24. Shortages in labour availability expected, particularly for specialist trades.

Rising costs of rail projects

As a result of several landmark projects set to be constructed during 2023–2024, labour supply constraints would be a contributing factor to the rising costs for rail projects such as the proposal. Over the past 15 years, construction wages for rail projects are proportionally larger with railway construction wage costs representing 25.2 per cent of project revenue. Due to labour-sourcing difficulties, the average rail construction wage is expected to increase until 2024 then fall.

Agriculture industry

The Murray and Riverina regions are some of the most productive and agriculturally diverse areas in Australia, with 87 per cent and 78 per cent, respectively, of the land mass comprised of arable agricultural land. In 2018–19, the gross value of agricultural production in the Murray and Riverina regions was \$1.5 billion and \$2.5 billion, respectively, collectively representing 34 per cent of the total gross value of agricultural production in NSW.

The agriculture industry offers significant export and employment opportunities for the region, particularly for agricultural and livestock products. Further discussion on land use is provided in Chapter 12: Land use and property.

At a local level, Greater Hume, Lockhart and Junee LGAs have a typical rural profile compared to the urban-centred LGAs of Wodonga, Albury and Wagga Wagga. The gross value of annual agricultural production in Greater Hume Shire, Lockhart and Junee LGAs was approximately \$219 million, \$87 million and \$86 million in 2016. Crops represent 41.1 per cent, 67.9 per cent and 70.0 per cent of these values, respectively.

The strength of the agricultural industry highlights the importance of efficient freight transport in supporting the area's economy.

Tourism industry

The regional economic catchment is recognised as popular tourist destination for visitors seeking to experience Australia's regional landscape and culture—offering both urban centres and a diverse natural environment.

During the year ending March 2020, the Murray tourism region received 2.6 million visitors, with expenditure totalling approximately \$810 million. Likewise, in the Riverina tourism region, there were 2.9 million visitors, with expenditure totalling approximately \$743 million.

Tourism is a significant focus for the NSW regional centres of Albury and Wagga Wagga, with key attractions including the Murray Art Museum Albury (MAMA), Albury Botanic Gardens and Albury Library Museum in Albury, and the Wagga Wagga Art Gallery and National Art Glass Gallery in Wagga Wagga.

14.4 Impact assessment—construction

This section summarises potential economic impacts that may result from construction of the proposal.

14.4.1 Business, industry and employment impacts and positive impacts

During construction, potential impacts on local and regional businesses and industries may result from:

- ▶ direct and indirect employment opportunities
- ▶ opportunities to encourage, develop and grow local (including Indigenous) businesses through the supply of resources and materials for the construction and operation of the proposal
- ▶ opportunities in secondary service and supply industries (such as retail, hospitality and other support services) for businesses in close proximity to the proposal site
- ▶ increased spending by the construction workforce in the local community
- ▶ temporary impacts on agricultural uses, including disruption to access and infrastructure and disruption to stock and produce movement
- ▶ temporary changes to local amenity and disruption to local tourist attractions and places of interest, possibly deterring some people from visiting these places, which may reduce visitation and income for local tourism industries.

For the construction period, the size and composition of the workforce would vary depending on the construction activities being carried out and construction staging, with a peak proposal workforce of 770 workers in March 2024, which corresponds with the March rail possession period. For the majority of the construction period, the workforce would average up to about 50 to 90 workers in each of the precincts due to scheduling of construction works. For full precinct workforce breakdown see section 8.5.1 of this EIS. The construction workforce would predominantly require skilled and unskilled workers from the heavy and civil construction and general construction sectors. The proposal represents a source of potential training and career pathway development for local workers (including Indigenous and youth workers) in the study area.

Given the limited number of workers available at each LGA, employment opportunities would be distributed across the regional economic catchment area, causing a minor effect at the local level, with up to 10 per cent of the peak workforce that could be filled by the local workforce (including Indigenous people). The remaining workforce would need to be sourced from outside of the local study area and nearby townships and would present a moderate positive effect across the Murray and Riverina regions. Local employment would be higher in the off-peak, as local residents would be interested in participating on longer work timeframes throughout the construction lifecycle.

The proposal would provide an opportunity to support local employment. As discussed in section 13.3.1 of the EIS, there may be some short-term employment opportunities in retail, administration, and transport. Local employment is dependent on a number of factors, including labour market conditions, skills availability and the existence of local workforce training and participation programs to support Indigenous and youth employment.

The proposal would also generate indirect jobs, including through stimulation of businesses further up the supply chain (e.g. manufacturers and suppliers of industry inputs). ARTC has developed the Inland Rail Sustainable Procurement Policy, which would ensure that local, regional, and Indigenous businesses have opportunities to supply the proposal. The primary opportunities for local supply to the construction phase include, equipment replacement and quarried material, with local quarries identified as having the potential to be used for structural fill, capping and ballast.

The requirements and the needs of the workforce would also have the potential to result in opportunities for secondary service and supply industries (such as retail, hospitality and other support services) through temporary additional local spending of the construction workforce at businesses that are in close proximity to the proposal site and workforce accommodation.

An increase in construction-related activity may impact the accessibility and amenity for local businesses in close proximity to the enhancement sites. The anticipated impacts at each precinct are outlined in Table 14-1.

TABLE 14-1 LOCAL BUSINESS IMPACTS

Precinct	Local business environment	Potential impacts
Albury	<ul style="list-style-type: none"> Businesses in close proximity to the rail corridor within the Albury precinct include primarily light and heavy industrial businesses (i.e. mechanics, building material distribution, commercial food services). There is a large shopping district to the west of the rail corridor at Albury Station that services both sides of the rail corridor. There are 11 short-term accommodation businesses in close proximity to the enhancement sites within the Albury precinct. There is one level crossing within the Albury precinct to enable movement of supplies and customers across the rail corridor. 	<ul style="list-style-type: none"> Low, temporary, negative economic impacts may occur for local businesses within the Albury precinct for short periods due to the temporary loss of car parking spaces. However, businesses may obtain additional income through the presence of the construction workforce, which may offset the potential negative impacts. Short-term accommodation businesses in close proximity to the enhancement sites may experience medium negative impacts during construction due to construction noise impacts.
Greater Hume–Lockhart	<ul style="list-style-type: none"> Businesses in close proximity to the rail corridor within the Greater Hume–Lockhart precinct include small commercial businesses (i.e. short-term accommodation, bakeries, restaurants) and industrial businesses (i.e. mechanics, steel fabrication). There are five short-term accommodation businesses in close proximity to the enhancement sites within the Greater Hume–Lockhart precinct. Business properties are located on both sides of the rail corridor at Henty Yard clearances, The Rock Yard clearances and Culcairn Yard clearances enhancement sites. There are dedicated pedestrian crossings provided across the rail corridor in these areas. 	<ul style="list-style-type: none"> Low, temporary, negative economic impacts may occur for local businesses within the Greater Hume–Lockhart precinct for short periods due to temporary road closures and traffic diversion at Sladen Street. However, businesses may obtain additional income through the presence of the construction workforce, which may offset the potential negative impacts. Short-term accommodation businesses in close proximity to the enhancement sites may experience medium negative impacts during construction due to construction noise impacts.
Wagga Wagga	<ul style="list-style-type: none"> There are a large number of businesses in close proximity to the rail corridor within the Wagga Wagga precinct, including primarily commercial and industrial businesses (i.e. cafes, short-term accommodation, gyms, mechanics, scrap metal stores). There is a large shopping district to the north of Wagga Wagga Station that services both sides of the rail corridor. An industrial complex is located to the south of the Pearson Street bridge enhancement site. There are 14 short-term accommodation businesses in close proximity to the enhancement sites within the Wagga Wagga precinct. There are level crossings in proximity to the Uranquinty and Wagga Wagga enhancement sites to enable to movement of supplies and customers across the rail corridor. The level crossing at the Bomen Yard clearances enhancement site does not allow for pedestrian movements. 	<ul style="list-style-type: none"> Low, temporary, negative economic impacts may occur for local businesses within the Wagga Wagga precinct for short periods due to construction noise and changes to active transport movements at Wagga Wagga Station bridge, Cassidy Parade pedestrian bridge and Edmondson Street bridge enhancement sites. Short-term accommodation businesses in close proximity to the enhancement sites may experience medium negative impacts during construction due to construction noise impacts.
Junee	<ul style="list-style-type: none"> Businesses in close proximity to the rail corridor within the Junee precinct include small hospitality businesses (i.e. short-term accommodation, restaurants, retail). There are seven short-term accommodation businesses in close proximity to the enhancement sites within the Junee precinct. A logistics company is located in close proximity to the Harefield Yard clearances enhancement site. Business properties are located on both sides of the rail corridor at Junee Station pedestrian bridge enhancement site with a light industrial area to the west. There are dedicated pedestrian crossings provided across the rail corridor in these areas. An industrial area and local businesses are located to the west of the Olympic Highway underbridge enhancement site. 	<ul style="list-style-type: none"> Low, temporary, negative economic impacts may occur for local businesses within the Junee precinct for due to the temporary road closure and traffic diversion at the Kemp Street bridge enhancement site. However, businesses may obtain additional income through the presence of the construction workforce, which may offset the potential negative impacts. Short-term accommodation businesses in close proximity to the enhancement sites may experience medium negative impacts during construction due to construction noise impacts.

The construction workforce is most likely to create demand on short-term accommodation facilities rather than private housing leases. The local area has the capacity to support the demand for short-term accommodation. However, existing demand from tourism, business and seasonal workers limits the availability of short-term accommodation at certain times of year, and the short-term accommodation market at Wagga Wagga and Junee is likely to experience constraints during the proposal workforce peak (around March and September 2024). Without mitigation, this demand could impact aspects of the local economy and may result in negative impacts on local tourism businesses or industries that rely on a seasonal workforce. However, as discussed in Chapter 13: Social, a workforce accommodation strategy would be implemented to address the potential shortages of accommodation for temporary workforce. Detailed construction planning would also look to scheduling opportunities to minimise the peak demand on the short-term accommodation market. The proposal would also have a positive economic impact on accommodation providers and flow-on effect to other local business. Refer to Technical Paper 4: Social for further discussion on workforce and accommodation.

The construction of the proposal is likely to have limited impact on high-value farming operations and general agricultural uses across the study area as the proposal is located within an existing rail corridor. These potential impacts include:

- ▶ disruption to access and infrastructure
- ▶ disruption to stock movement and agricultural operations
- ▶ improvements in supply chain efficiency.

These impacts may change the value of agricultural production in the region, due to changes in accessibility, connectivity and productivity. However, due to only 0.0004 per cent of agricultural land within the five LGAs of the proposal to be impacted by direct impacts, a change in value of agricultural production is unlikely as discussed further in Chapter 12: Land use and property. Short-term closures of level crossings in the Junee to Illabo clearances site would be managed in consultation with the impacted properties. Disruption to operations at grain storage facilities located within the proposal site would be managed in consultation with those operators.

Construction work, changes to visual amenity and the use of short-term accommodation by non-residential workers has the potential to impact the tourist experience and travel times. This impact is anticipated to be small and would be temporary while construction activities are underway in particular areas.

During construction, works would be carried out within standard rail possessions or under track occupancy authorisations (within available windows of gaps between services). As such, impacts caused by delays to freight during construction along the existing railway would not occur.

14.4.2 Regional economic positive impacts

The economic assessment included modelling the regional economic effects of constructing the proposal under two scenarios:

- ▶ a 'slack' labour market—characterised by the availability of unemployed and underemployed workers with relevant skills, with labour demand accommodated without an increase in real wages
- ▶ a 'tight' labour market—characterised by less availability of workers with relevant skills, with wages sensitive to labour force demand.

At the time the assessment was prepared, the labour market conditions in the construction phase of the proposal are highly uncertain. The current information suggests that a 'tight' labour market scenario is most likely to apply in the period 2023 to 2024; however, the probability of a 'slack' labour market remains high.

Table 14-2 shows the projected real gross regional product (GRP) projected at the completion of construction above the baseline level for the Murray and Riverina regions. At the end of the construction phase, GRP for the Murray and Riverina regions under a tight labour market is predicted to be around \$5 million and \$9 million respectively. In contrast, under a slack labour market scenario, GRP for the Murray and Riverina regions is projected to be \$13 million and \$21 million respectively.

TABLE 14-2 ECONOMIC POSITIVE IMPACT ASSESSMENT RESULTS, PRESENT VALUE TERMS (\$2019)

Measure	Murray region		Riverina region	
	Slack labour market	Tight labour market	Slack labour market	Tight labour market
Additional real gross regional product (2021)	\$13 million	\$5 million	\$21 million	\$9 million
Average annual additional direct and indirect jobs (persons)	69	14	110	28

The modelling indicates that the proposal has the potential to generate up to 14 jobs in the Murray region and 28 in the Riverina region under a tight market scenario. Under a tight labour market, wages are higher to attract currently employed workers to the construction of the proposal. Modelling of the slack labour market scenario indicates that

the proposal has the potential to generate up to 69 and 110 jobs in the Murray and Riverina regions respectively. Under slack labour market conditions, there are sufficient unemployed (or under-employed) workers to accommodate the increase in demand for labour with no need to raise wages to attract employees.

Due to the dynamic nature of the labour markets (local and regional), ARTC would undertake further analysis prior to construction to refine local and regional recruitment and training strategies to optimise local employment opportunities.

14.5 Impact assessment—operation

During operation, potential impacts on local and regional businesses and industries may result from:

- ▶ changes to travel times and access for businesses due to increased frequency of train movements at level crossings
- ▶ permanent changes to local amenity and disruption to local tourist attractions and places of interest
- ▶ economic benefits due to improvements to rail freight transport.

As discussed in section 9.4 of the EIS, the proposal would not result in significant changes to travel times or distances by road transport. Where level crossings are upgraded from passive to active control, any delay to vehicles and changes to access would be marginal and associated with the additional time programmed for the boom gates to open and close at an activated level crossing. However, upgrading the passive crossing would provide safety benefits to road and rail users by reducing the risk of collisions. Elsewhere, the proposal would result in an increase in the frequency of level-crossing closures, due to additional trains passing through. Because an Inland Rail freight train would pass through a level crossing at the same speed as a freight train under current operations, the level crossing closure time would be same with the proposal as it is under current operations. As such, impacts to businesses due to changes in access or travel times would be marginal. Impacts due to changes in amenity are considered in Chapter 13: Social (section 13.4) of the EIS.

There would be no permanent impacts on agricultural land from the proposal. See Chapter 12: Land use and property for further discussion on permanent impacts on agriculture.

The proposal would not have a significant impact on the tourism industry. There is the potential for reduced scenic amenity due to the proposal location within the rural and regional landscape. While landscape, urban design and rehabilitation works would be delivered, new vegetation would take time to mature to have a positive visual effect on the landscape. See Chapter 17: Landscape and visual for further discussion on landscape and visual amenity.

As the proposal forms part of the Inland Rail program, the proposal is linked to delivering the benefits of the entire program. In its entirety, Inland Rail would enhance Australia's existing national rail network and serve the interstate freight market. Further discussion on the benefits of the Inland Rail Program is provided in Chapter 2: Strategic context and need.

The total freight demand for the proposal consists of agricultural freight traversing the proposal area between Albury and Illabo. This includes freight from regional Victoria (including Maldon and Albury), southern NSW (including the Riverina region) destined for north of the proposal area, as well as from regional NSW (including Narromine, Parkes, Werris Creek and Manildra) destined for the south of the proposal area.

The proposal would provide a more direct rail freight corridor, supporting the more efficient movement of intra and interstate freight. There are four categories of freight benefits including:

- ▶ travel-time savings
- ▶ operating cost savings
- ▶ improved service availability
- ▶ improved service reliability.

The results of the economic benefits assessment estimate that the proposal would provide a total of \$179.80 million (\$2021) in incremental benefits to the proposal area (at a 7 per cent discount rate). These benefits are attributed to reduced average travel times by rail freight travel times, freight service availability and reliability.

As there is no change to the distances travelled by rail through the proposal, increases to trip frequencies and any road freight traversing the proposal study area, there would be no community benefits such as crash reduction, environmental externalities or road decongestion associated with the proposal as outlined in section 5.4.5 of Technical Paper 5: Economic. The improvements to the supply chain due to the proposal and the Inland Rail program; however, could enhance the economic opportunities within regional and local communities. This, in turn, would:

- ▶ drive savings in freight costs, which would benefit producers, consumers and the regional community
- ▶ have the potential to promote local industry development by providing efficient transport access to intrastate and interstate markets (particularly in the freight and logistics sector).

For further discussion on economic benefits assessment refer to section 5.4 of Technical Paper 5: Economic.

The proposal offers opportunities to improve the productivity of the local industry by reducing the distance between dispersed agricultural activities to processing and markets. Efficient supply chains support the regional and national capacity to enhance economic opportunities. The proposal will increase competition between road and rail freight modes, driving savings in freight costs which would benefit producers, consumers and the regional economic catchment area.

14.6 Mitigation and management

14.6.1 Approach to mitigation and management

The proposal would result in a number of economic impacts as outlined in section 14.4 and section 14.5. Where these impacts cannot be avoided, a range of mitigation measures would be implemented to carefully manage and mitigate these impacts. This includes a workforce management plan and an industry participation plan.

The mitigation measures are provided in Chapter 12: Land use and property, Chapter 13: Social and Chapter 17: Landscape and visual.

14.6.2 Residual risk

Residual impacts are impacts of the proposal that may remain after implementation of the management and mitigation measures detailed elsewhere in this EIS.

Further information on the approach to the environmental risk assessment, including descriptions of criteria and risk ratings, is provided in Appendix E: Environmental risk assessment.

TABLE 14-3 RESIDUAL RISK MANAGEMENT—ECONOMIC

Stage	Potential impact	Pre-mitigated rating	Mitigation measures ¹	Residual risk rating	Residual risk management ²
Construction	Property acquisition or termination of existing leases and associated business impacts	High	LP1, LP2, LP7, ARTC procedures	Low	N/A
Construction	Employment opportunities during construction	Low	SI2, SI4	Low	N/A
Construction	Temporary impacts to access, visibility or amenity of businesses	Medium	LP3, SI5	Low	N/A
Operation	Potential alterations to access, connectivity, visibility and amenity of business premises during operation	Low	N/A	Low	N/A

1. As described in Chapter 12: Land use and property and Chapter 13: Social.

2. For residual impacts with a risk rating of medium or above