

2018/19 FEDERAL BUDGET SUBMISSION

Council of Mayors (SEQ)





EXECUTIVE SUMMARY

South East Queensland is a region like no other. Representing one in seven Australians and home to five of the nation's largest councils, South East Queensland is emerging as Australia's economic, population and innovation powerhouse.

South East Queensland also represents a region with a strong and established history of regional cooperation and thought leadership. Through the Council of Mayors (SEQ), the 11 Mayors and Councils of South East Queensland work in partnership to advance the interests of the region.

For some time, the Council of Mayors (SEQ) has recognised that a reliance on one-off funding allocations is no longer meeting the needs of a growing South East Queensland. Instead, a focus on collaboration between all tiers of government to drive smart investment in this region is key.

Subsequently, the Council of Mayors (SEQ) has for many years been investigating the City Deals model as a strategic and collaborative approach to infrastructure investment in South East Queensland.

While discussions with the Commonwealth continue around a City Deal for the region, the economic, environmental and social pressures for strong investment in South East Queensland are still clear and present.

Regardless of the investment mechanism, the Council of Mayors (SEQ) is confident that investment in this region will support the Commonwealth in achieving its national objectives and ensure South East Queensland reaches its full potential.

This submission highlights the importance of enabling one of Australia's fastest-growing regions, and the opportunities it presents in demonstrating smart investment and strong collaboration between Federal and Local governments.

South East Queensland presents a great opportunity for growth and innovation, given its forecast population growth, unique business and lifestyle offerings and its geographical proximity to the Asia Pacific region.

To seize these opportunities, the region needs financial and collaborative support from the Commonwealth to adapt and expand. The Council of Mayors (SEQ) seeks a financial commitment in the 2018-19 Federal Budget to deliver physical and digital infrastructure sooner, and ensure the future success of South East Queensland.



Scenic Rim Regional Council



SOUTH EAST QUEENSLAND

South East Queensland is home to more than three million people, or one in seven Australians. The region's population is expected to grow from 3.5 million to approximately 5.3 million people in the next 25 years.

The region stretches 240 km north south from the Sunshine Coast to the Gold Coast and 230 km east west from the Redlands to the Toowoomba region. The 11 councils in the region combine to form South East Queensland.

These councils work collaboratively and strategically through the Council of Mayors (SEQ) to advocate for a better resourced region, deliver projects of regional significance, and shape Federal and State outcomes to benefit the communities and businesses of South East Queensland.

The Council of Mayors (SEQ) is the strong voice of the region, leading collaboration with all levels of government to plan for positive growth, prepare for change and protect the values that are core to South East Queensland.

South East Queensland is home to five of the ten largest councils in Australia. Individually, they have the power and vision to lead large scale projects and initiatives. Collectively, they are a strong and powerful regional alliance with the ability to enact positive change for the region and the nation.

The Council of Mayors (SEQ) was established in 2005, and is Australia's largest regional advocacy organisation. Its membership consists of the 11 Mayors representing Brisbane, Gold Coast, Ipswich, Lockyer Valley, Logan, Moreton Bay, Redland, Scenic Rim, Somerset, Sunshine Coast and Toowoomba councils.

Unlike other regions, the collective strength of the Council of Mayors (SEQ) means South East Queensland is no longer a series of disparate geographic areas but a region that can function as a single metropolitan area.

This presents many opportunities not just for the region, but the Commonwealth as well. The Council of Mayors (SEQ) has proven its ability to drive reform and lead region-shaping projects that can be applied across Australia to achieve outcomes locally and nationally.

Through a strategic partnership with the Federal Government, innovative funding and delivery models, and public and private investment in the region, South East Queensland can deliver a sustainable and prosperous future for its communities.



Brisbane City Council



OPPORTUNITIES FOR INVESTMENT

The Council of Mayors (SEQ) firmly believes the future liveability and economic prosperity of the region is dependent on South East Queensland's connectivity - regionally, digitally and globally.

Therefore, a strong focus on the delivery of safe and efficient infrastructure, harnessing the digital economy, and securing the rivers and catchments that connect the region's councils, are paramount to South East Queensland.

The region's Mayors also believe a Federal investment in the region's public transport, particularly rail, will have a strong flow-on effect. Bolstering South East Queensland's public transport network would decrease demand for major arterials critical to the region's freight movement, reducing the rising and ongoing cost of upgrading these routes.

The Council of Mayors (SEQ) would ask the Federal Government to strongly consider the following projects as economic and social enablers and significant opportunities for smart investment in South East Queensland.

People Movement

Fast Train Network

The introduction of faster rail would transform the social and economic landscape of South East Queensland. Faster rail could provide a reliable and efficient connection between Queensland's largest urban centres, Brisbane and the Gold Coast, as well as surrounding areas such as the northern corridor to the Sunshine Coast, eastern corridor to the Redlands, and the western corridor to Toowoomba.

This region presents a viable opportunity for the Federal Government to achieve the objectives of its faster rail agenda, while unlocking economic opportunities for emerging areas in South East Queensland.

The Council of Mayors (SEQ) understands a significant investment in South East Queensland's rail network is needed to improve the reliability, frequency and viability of passenger movements within the region.

The region's Mayors seek collaboration and support from the Federal Government in planning for region-shaping passenger rail improvements. Without this investment, South East Queensland's future will rely primarily on private vehicle use and ongoing and costly road upgrades.



South East Queensland



Brisbane Metro - \$944 million

With much of the inner-city bus network already at capacity, Brisbane Metro will deliver a high-frequency, 'turn-up-and-go' public transport system that will cut travel times, reduce CBD bus congestion and improve services across the suburbs of Brisbane.

Two thirds of funding for Brisbane Metro will be contributed by Brisbane City Council, with a third sought from other levels of government. Brisbane Metro comprises two new metro lines across 21 kilometres of existing busway. Metro 1 will link Eight Mile Plains and Roma Street busway stations, and Metro 2 will link RBWH and UQ Lakes busway stations.

By fixing critical bottlenecks in the inner-city, and introducing new, high-capacity metro vehicles, it provides a cost-effective solution to Brisbane's bus congestion issues. The Council of Mayors (SEQ) anticipates Brisbane Metro will integrate with the Queensland Government's Cross River Rail proposal to ease commuter congestion throughout the South East Queensland transport network.

Sunshine Coast Light Rail Solution - Business Case Support

The Sunshine Coast is one of the three largest economies in Queensland and is experiencing a population growth rate that is the second highest in the state. At more than 300,000 people, it does not have a sustainable and effective public transport system to service the coastal strip from the Sunshine Coast Airport to Maroochydore through Kawana and Caloundra and then connecting to Aura and the heavy rail corridor at Beerwah.

This area is where more than 80 percent of the Sunshine Coast population lives, and over the next 20 years, the population share for this area (termed the Enterprise Corridor) will continue to increase.

A commitment from the Federal Government to work collaboratively with the Sunshine Coast Council, and other partners, to develop a comprehensive business case for a Light Rail solution is sought so this project can be accelerated and delivered through an innovative funding model.



Source: Brisbane Metro Business Case Key Findings, May 2017



Gold Coast Light Rail Stage 3A (Broadbeach to Burleigh Heads) - \$700 million

Extending the highly successful “G” light rail to serve the southern portion of the Gold Coast is an important priority for South East Queensland. This will enable sustainable management of ongoing residential and commercial regeneration in the coastal corridor to occur in line with the City of Gold Coast’s planning objectives, and the objectives of the Commonwealth’s rail agenda.

These are centred on concentrating the greater part of new urban development in urban infill areas close to mass urban transit, and reducing the high reliance on private car transport. Reference design and preparation of a business case for the next stage of the “G” to Burleigh Heads is currently being undertaken. Further planning to complete the extension to Coolangatta town centre via the Gold Coast Airport will commence in late 2017.



City of Gold Coast

Additional support for region-wide People Mass Movement Study

The Council of Mayors (SEQ) is currently undertaking a region-wide People Mass Movement Study with the objective of analysing the existing State and Local planning and data, and distilling this into a detailed view of the region’s current people movement status and potential transport solutions for the future.

This work will become a valuable planning and decision-making tool for South East Queensland’s future, and will be a key component of the Council of Mayors’ (SEQ) ongoing City Deals discussions. This work also aligns closely with the Commonwealth’s current urban rail planning work.

Stage One of the study will be completed by mid-2018, with two further stages needed to complete a full picture of the region’s rail, road and public transport networks. Local Government has funded Stage One, but additional support from public and private investment is needed to finish the subsequent stages.

Initial findings indicate that all but one of South East Queensland major arterials will be able to cope with the region’s growing population by 2032, with the majority nearing or over capacity. This is factoring in the current delivery of new infrastructure as well as planned infrastructure for the next fifteen years.

The current consideration from Minister Fletcher to fund part of Stage 2 is a welcome boost to the project. The Council of Mayors (SEQ) encourages the Federal Government to partner with the region’s Mayors to deliver the subsequent stages of the study as part of its commitment to integrated transport planning.



Freight Movement

Mt Lindesay Highway Upgrade - \$100 million

The Mt Lindesay Highway is a transport route crucial to regional economic growth in South East Queensland and more widely Queensland. It is the most important north-south link in the south-western corridor of the region.

The Mt Lindesay Highway supports 40,000 vehicles daily in each direction and this is expected to increase to 63,900 by 2031 (up 64 percent). It is a key route in connecting activity centres and employment nodes, including Acacia Ridge, Browns Plains, Jimboomba and Greater Flagstone, as well as connecting back into Brisbane (connections with the Logan Motorway and the Ipswich and Gateway Motorways via the Logan Motorway).

It will provide connections to future housing and employment areas of Greater Flagstone and North Maclean. Future upgrades of the Mt Lindesay Highway are crucial to improving the efficiency, productivity and safety of the national freight industry. National recognition and priority funding is needed to ensure the staging and sequencing of upgrades keeps pace with projected demand.

Melbourne to Brisbane Inland Rail Project (South East Queensland section)

The Inland Rail Project is a significant nation-building initiative. The South East Queensland section will have a massive business and environmental impact across the region. It will be a major facilitator for both the Toowoomba Enterprise Hub and Bromelton State Development Area (SDA), west of Beaudesert.

The Toowoomba Enterprise Hub will inject more than \$6 billion annually into the region's economy

and will complement the Toowoomba Second Range Crossing and the Toowoomba Wellcamp Airport to provide a vital new logistical hub of national importance. Bromelton SDA is currently the only area available in the region for industrial development with access to both the National Standard gauge and Queensland gauge rail infrastructure, providing connectivity to Sydney and Brisbane on the existing coastal rail network.

Stage One of Bromelton is 1,052 hectares with a developed value of \$5 billion. The Inland Rail project will intersect with the existing coastal line at Kagaru, at the northern end of Bromelton SDA, placing this site at the new crossroads of interstate rail freight between Brisbane and Sydney via the coast and Brisbane and Melbourne across the great divide. Both projects will open up significant new opportunities for logistics facilities and renewal across the region.

The Inland Rail project also provides a potential opportunity to bring forward the Salisbury to Beaudesert Passenger Rail project, and consider future passenger rail connections for Toowoomba and the Lockyer Valley to Brisbane. The Council of Mayors (SEQ) also asks for consideration to extend the Inland Rail to the Port of Brisbane, boosting the economic and efficiency benefits for the region.

There is the potential to share infrastructure and deliver cost savings and time savings through ensuring passenger rail is supported as part of any design process carried out for Inland Rail. The Council of Mayors (SEQ) would encourage the Federal Government to work with the region's Mayors to strengthen this significant project for the region and the nation.



Bruce Highway Upgrades (Pine River to Nambour) - \$3.95 billion (combined cost)

The South East Queensland component of the Bruce Highway traverses three local government areas and is the primary road transport corridor for moving freight, commuters, and tourists into and through the northern sector of the region and into Brisbane.

As the population has grown and the settlement patterns outside Brisbane have shifted and expanded, the Bruce Highway – particularly north of Caboolture – has not kept pace with the carrying capacity required for the fastest growing region in Australia.

In line with the Federal-State agreed funding formula for national highways (80 percent/20 percent respectively), the Council of Mayors (SEQ) is seeking a clear timing and funding commitment by the Federal Government to its 80 percent contribution to the following upgrades to the Bruce Highway:

- Dohles Rocks Road Murrumba Downs, proposed signalised interchange - \$2 billion
- Dohles Rocks Road Murrumba Downs, widening and lengthening of on ramp - \$25 million
- Deception Bay Road, bridge duplication and improved motorway interchange - \$150 million
- Caboolture- Bribie Island Road to Caloundra Road interchange - \$662.5 million
- Caloundra Road Interchange to Sunshine Motorway interchange - \$929.3 million (already committed – works commenced)
- Nambour Connection Road/Maroochydore Road Interchange Upgrade Stage 1 - \$187 million.

M1 Pacific Motorway Upgrades - \$1.436 billion (combined cost)

The M1 Pacific Motorway corridor is a vital freight and commuter link in the national road network, starting in Tugun, near the New South Wales border and finishing at the Pacific Motorway and Gateway Motorway merge (Eight Mile Plains).

The M1 is ranked among the busiest and most critical transport corridors in Australia for freight, public transport and private commuter travel. Daily traffic volumes result in a four hour peak period from 5am to 9am and incidents cause significant congestion queues.

The timely delivery of upgrades along the entire corridor, stretching from Logan to the Gold Coast, is critical to the productivity of Queensland and it is imperative the projects receive funding support. The following priority areas of investment have been identified and outlined in more detail below:

- Upgrades from the Gateway Motorway to Logan Motorway and extension of the South East Busway to Loganholme - \$16 million for a business case
- Interchange upgrades, Northern Gold Coast (Yatala to Oxenford) - \$200 million
- Upgrade from Mudgeeraba to Varsity Lakes - \$220 million
- Upgrade from Varsity Lakes to Tugun - \$1 billion.



Cunningham Highway (Yamanto To Willowbank) - \$276 million

This project is driven by road safety and capacity constraints arising from a combination of rapid development in south-western corridor and limited transport networks available to support the freight and commuter demand.

This project would improve safety, reduce congestion and provide greater efficiency in the movement of interstate and inter-regional freight to the Port of Brisbane and Australian Trade Coast precinct as well as improving access to RAAF Base Amberley (one of Australia's largest Defence facilities) and the state and regionally significant Ebenezer Willowbank Business and Industry Area.

Brisbane Valley Highway (South East Queensland section) - \$45 million

This project involves upgrading of a large section of the Brisbane Valley Highway. This project will increase road safety, improving the freight and transport links between the Somerset Region, the South Burnett and the Warrego Highway.

It will provide for the growth in commuter traffic using the Brisbane Valley Highway to access work and retail hubs in Ipswich and the western suburbs of Brisbane.



Ipswich City Council



Digital Connectivity

Enabling the Connected Region

The Council of Mayors (SEQ) provides a unique opportunity to tap into a large knowledge base of experience and expertise in smart city initiatives. South East Queensland has a strong history of regional cooperation and collaborative action, and a coalition of some of the most powerful local governments in Australia.

In 2017, the Council of Mayors (SEQ) undertook a Market Sounding to help guide decision making and to gauge market appetite to deliver Low-Power Wide-Area Network (LPWAN) technology. This resulted in 9 submissions from key network, technology and telecommunication providers, demonstrating the market is ready and keen to be involved in this project to showcase their technology and capabilities.

The Market Sounding also identified that what is 'state-of-the-art' LPWAN technology may change over time, particularly in a number of years as NB-IoT and 5G becomes more prevalent. Council of Mayors (SEQ) has worked with potential vendors to provide a multi-layered technology solution for a proposed communications and sensor network, with the specific intention to "future-proof" the technology suite and provide options and interoperability to allow new technologies to leverage the infrastructure in years to come.

Local governments across South East Queensland are already planning and delivering smart city infrastructure. By establishing a regional approach, existing infrastructure can be integrated and expanded whilst accelerating the delivery of smart region infrastructure in new areas. Smart Region infrastructure provides opportunities for all aspects of the regional economy.

The Council of Mayors (SEQ) sees the rollout of a dual-LPWAN as foundational infrastructure that will continue to be expanded and utilised post project delivery. LPWAN will not only serve local government initiatives, but private sector use cases, highlighting the significant ongoing opportunities that this project presents. This includes: Asset tracking / GPS tracking, Smart Building Management, Smart Agriculture, Industrial pollution monitoring, E-health (e.g. wearable alerts).

The Council of Mayors (SEQ) recently lodged a submission to the Smart Cities and Suburbs Program, offering a project co-contribution of \$2,149,850 (from private sector and local government), with a total project cost of \$4,299,700. However, this submission was unsuccessful.

The Council of Mayors (SEQ) understands the need to deliver tangible and community-focused projects to create awareness and education for the advancement of smart technology in Australia. However, this approach ignores the key commodity of the digital revolution – data. This is why the LPWAN technology is vitally important.

Councils in this region are already leading the nation in the introduction of smart technology to streamline civic services through initiatives such as smart lighting, parking, bins, lawn maintenance, security/CCTV and autonomous public transport already being trialled or in use in South East Queensland.

This project lays the foundation for council's emerging smart technologies to feed into a sensor network designed to specifically support the generation, collection, storage and processing of both local and regional data.

This will not only become the future of solving challenges that are present for individual councils, but more importantly, that cross council boundaries.



As a project partner, it would also offer the Commonwealth a real-time insight into the growth, planning, movements and innovation in South East Queensland.

The Council of Mayors (SEQ) asks the Federal Government to reconsider its funding of this Smart Cities and Suburbs submission, and work with the region on a project model that could be applicable for many regions across Australia.

Sunshine Coast Submarine International Broadband Cable

The Sunshine Coast international broadband submarine cable has been widely recognised as offering a transformative impact on the SEQ economy, with the potential to increase the region’s global competitiveness.

Five international submarine cables provide data connectivity from Australia to the rest of the world. Four of these cables land in Sydney and the fifth cable lands in Perth. The close proximity of the four existing cables in Sydney poses a significant risk for most of Australia’s existing commercial data centre capacity.

The Sunshine Coast provides the first viable landing point on the eastern seaboard of Australia (travelling south from Cape York) for a cable that links to Asia and/or to the United States. The cable will act as a catalyst for technology businesses and the associated high value jobs they provide.

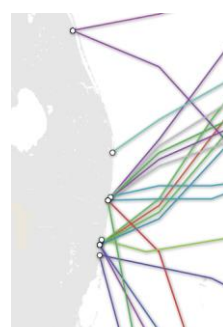
It has the potential to attract a new calibre of investment in technology based enterprises, innovative design and applications development ventures, industries dependent on high volume transactions, and businesses in the banking and finance sectors. Sunshine Coast Council has lodged a submission with the Australian Communications and Media Authority (ACMA) seeking the

declaration of an offshore cable protection zone, which will encourage the private sector to deliver an international broadband submarine cable of national significance to SEQ.

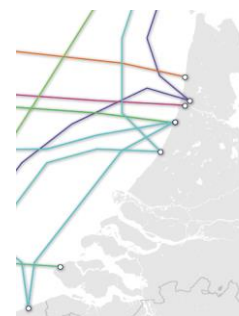
The proposed submarine cable and associated facilities will deliver potential value of \$1.1 billion per annum to the Queensland economy (independent modelling by AEC Group). A detailed feasibility study for the international submarine broadband cable is expected to be completed by late 2017.

The Council of Mayors (SEQ) acknowledges funding from the Federal Government Department of Communications and the Arts to allow for a detailed project feasibility study to be completed. It also welcomes an ongoing commitment of support and expediting any approvals that may be required, to secure a cable protection zone and seek investment for an international broadband cable to come ashore on the Sunshine Coast.

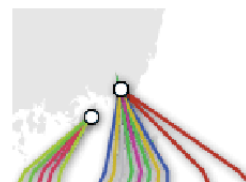
Digital Submarine Cables in South East Queensland - compared to other leading peer regions



South East Florida



South Holland



Busan Region



South East Queensland

Source: *Telegeography Interactive Submarine Cable Map, October 2017.*



Climate Resilience

Resilient Rivers Initiative - \$25 million per annum (joint contribution)

In recent years, severe flooding and water supply issues have again placed the spotlight on the need to build climate resilience in South East Queensland's waterways and catchments.

The Council of Mayors (SEQ) has initiated a mechanism for the strategic and coordinated management of the region's catchments which is supported by the various water entities and government bodies actively working in this space across the region.

The Resilient Rivers Initiative is a collaborative arrangement between the water entities and government bodies in SEQ, with the objectives of keeping soil out of waterways, protecting our region's water security and improving climate resilience.

The Initiative has established an agreed Regional Strategy 2015 - 2025 and a set of Catchment Action Plans which identify key regional assets and the risks to those assets, with a number of priority actions identified to mitigate these risks.

With the completion of a framework and an effective approach to coordinating action across the region, a mechanism for a sustainable funding source for the Resilient Rivers Initiative needs to be formalised.

The Council of Mayors (SEQ) has commenced negotiation with the Queensland Government to establish a statutory governance authority to drive the delivery of vital on-ground works as prioritised by the Resilient Rivers Initiative.

South East Queensland councils that are often hardest hit by the region's extreme weather have contributed a pool of \$1.4 million to commence critical projects as soon as possible. However, an ongoing funding commitment from the Federal Government is needed to ensure the long-term viability of the Initiative.

Whether it's through an SEQ City Deal or a strategic approach to the National Landcare Program, smart investment in the Resilient River Initiative is needed to secure South East Queensland's water supply, waterways and catchments, and the iconic Moreton Bay.

Alternate Agricultural Water Supply for the Lockyer Valley Region - \$2.5 million business case support

The Lockyer Valley is one the top ten most fertile farming areas in the world and grows the most diverse commercial range of fruit and vegetables in Australia. The Lockyer Valley is one of the most important food bowl areas in Australia, supplying the majority of Australia's vegetable requirements during the winter months and typically accounting for 28 percent of Queensland's total horticultural production.

Additional sustainable water supply for agricultural productivity in the Lockyer Valley is critical to the broader region's growth, and essential to secure the supply of Australian produce for domestic and international distribution.

This business case will build on the outcomes of the National Water Infrastructure Development Fund prefeasibility work, and provide the next stage of project feasibility to test the technical and economic feasibility of the preferred options for alternate water supplies. The project will also consider innovative water delivery mechanisms and equitable water distribution for sustainable water use across the Lockyer Valley.



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