



Fastrack
Australia

Regionalisation Urbanisation and High Speed Rail for Regional Cities

#1 Regionalisation drives higher economic growth

REGIONALISATION IS A MOONSHOT OBJECTIVE TO RECOVER FROM THE RECESSION

- 1 Regionalisation drives higher economic growth
- 2 High speed rail is essential for regional development
- 3 A national high speed network in Australia
- 4 Under federal government leadership and funding
- 5 Regional cities must manage their development
- 6 The Rail Industry must step up to improve its services

1

REGIONALISATION DRIVES HIGHER ECONOMIC GROWTH

Melbourne is a thriving city, but urban sprawl is creating a drag on its economic growth

Victoria's productivity can be increased by creating a network of secondary cities

Simply building a faster rail network will increase Victoria's GDP by 5%

Most Victorians will be better off
Justifies the investment in faster rail

Melbourne has grown through a natural virtuous cycle of agglomeration

Thriving cities grow bigger and their economies stronger by attracting people to new jobs that increase productivity and create more demand

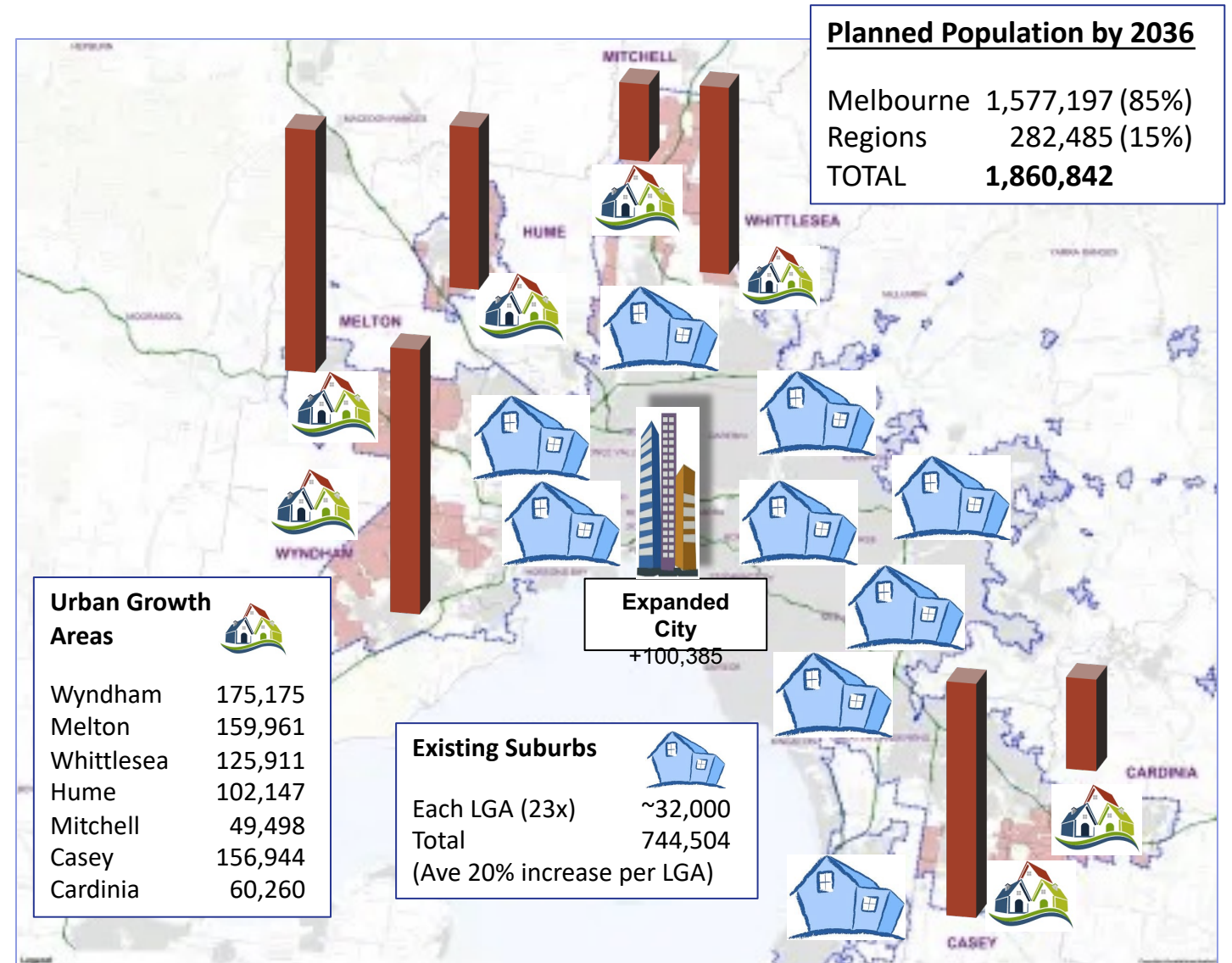


BUT urban sprawl is creating a drag on Melbourne's economic growth

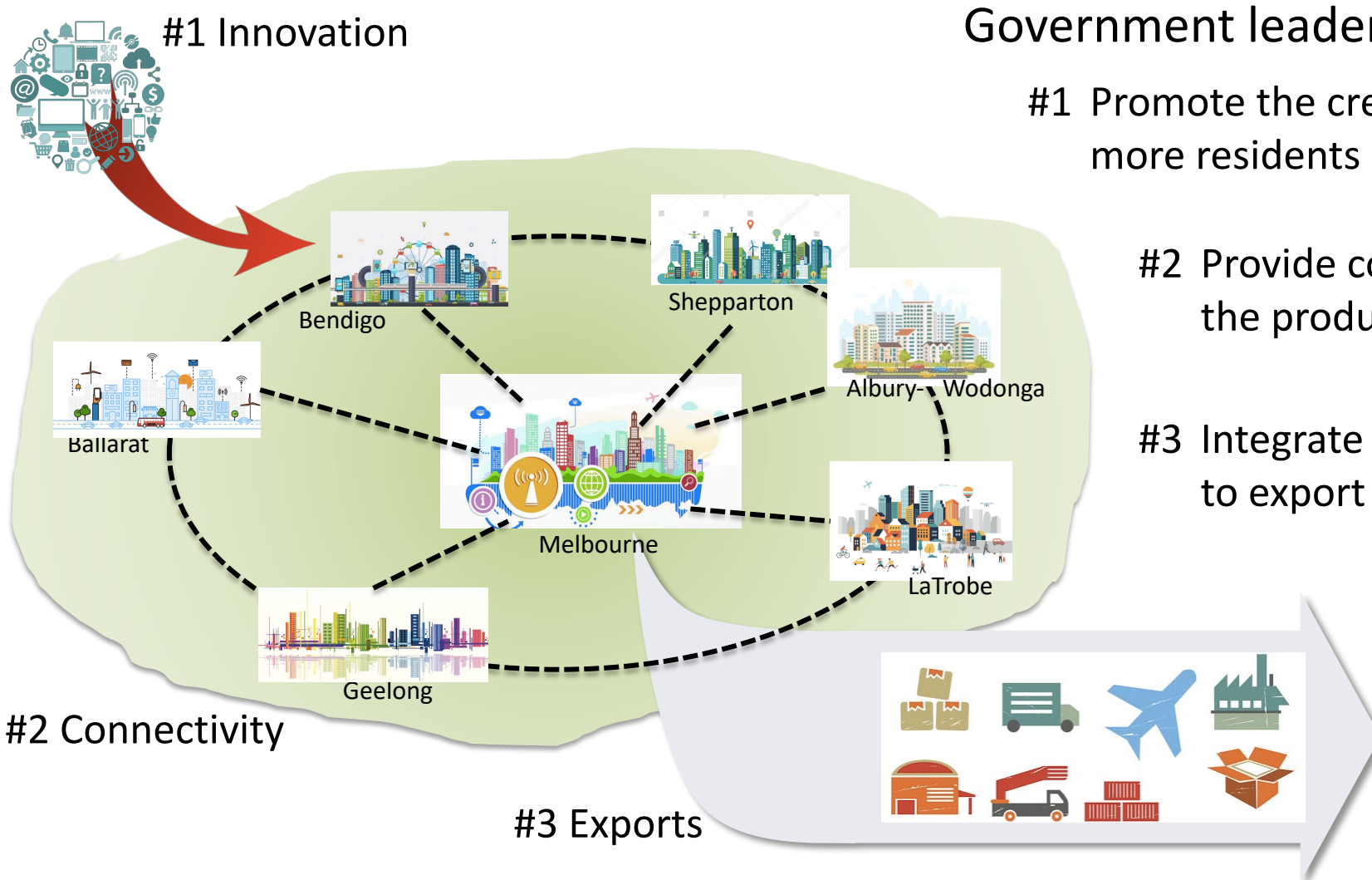
85% of Victoria's population growth is planned to go into Melbourne

- Increases congestion as more people have to use cars to travel longer distances
- Makes housing less affordable as house prices are driven higher in existing suburbs
- Increases the cost to roll out infrastructure and services to growth areas

This creates a drag on the Victorian economy



Victoria's productivity can be increased by creating a network of secondary cities



Government leadership is needed to:

#1 Promote the creation of jobs to attract more residents into regional cities

#2 Provide connectivity to increase the productivity of each city

#3 Integrate the Victorian economy to export to external markets

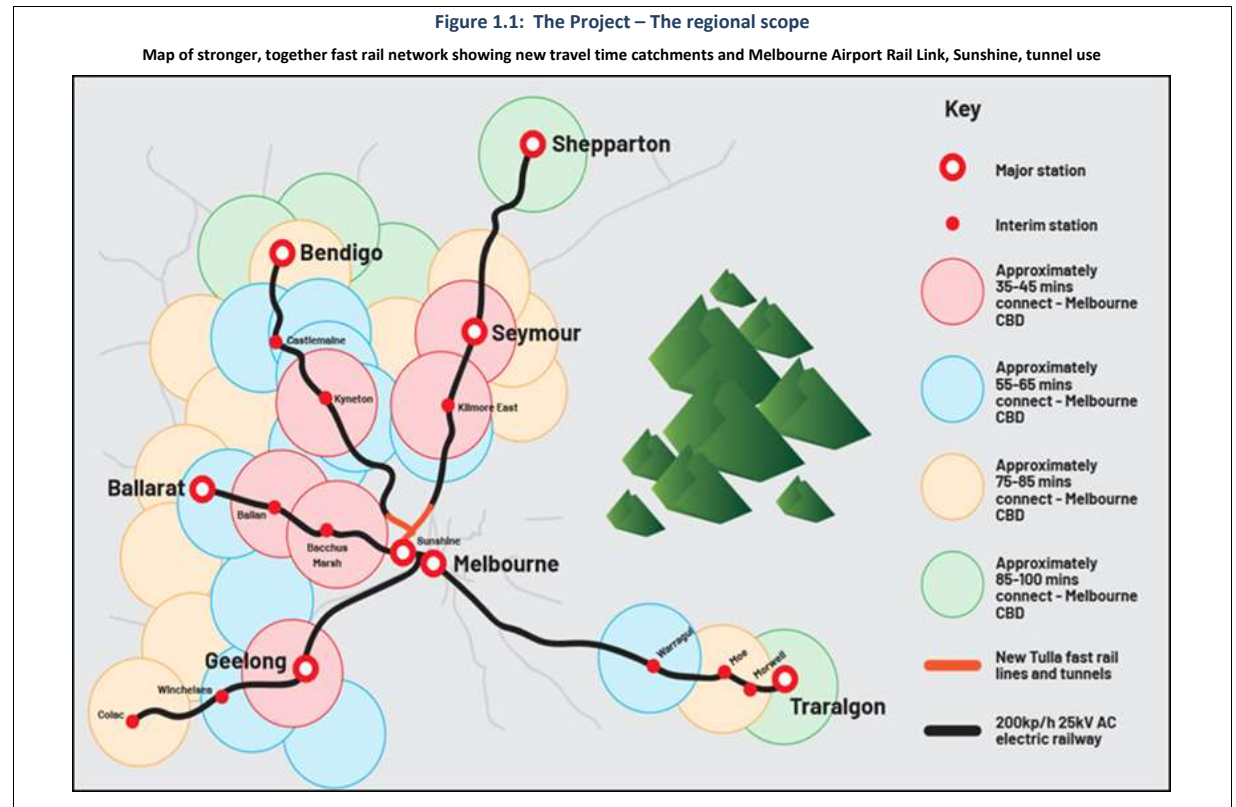
Simply building a faster rail network will increase Victoria's GDP by 5%

Economic analysis by the National Institute of Economic and Industry Research (NIEIR) shows a new 200kph network will:

- Encourage greater population growth in regional cities
- Boost each regional city's economy
- Grow Victoria's economy faster
- Give more people a better lifestyle
- Contain Melbourne's urban sprawl
- Increase housing affordability

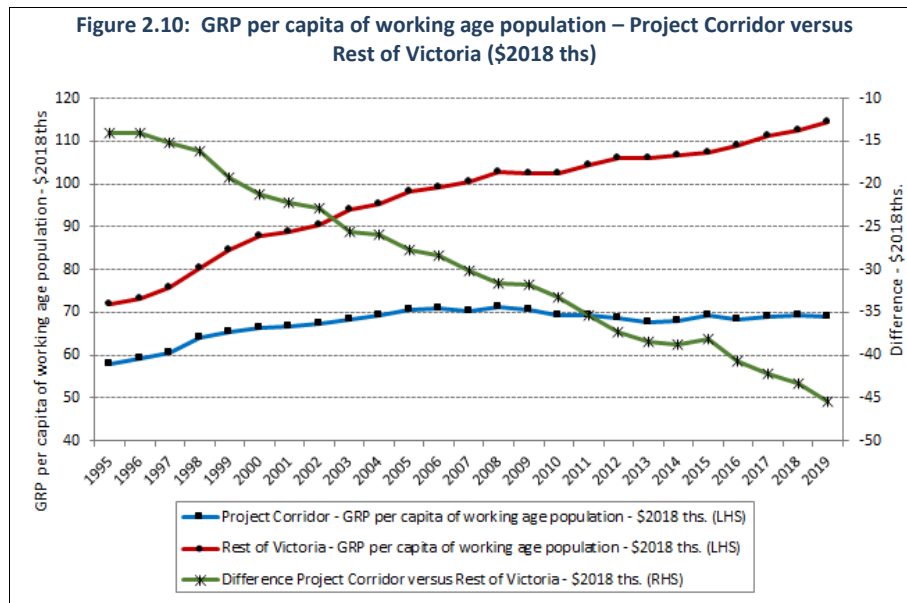


* Source: National Institute of Economic and Industry Research: STRONGER, TOGETHER - An independent state-wide macroeconomic assessment of fast regional commuter rail network impacts on Victorian settlement patterns, economic growth, fairness and opportunity, 2020

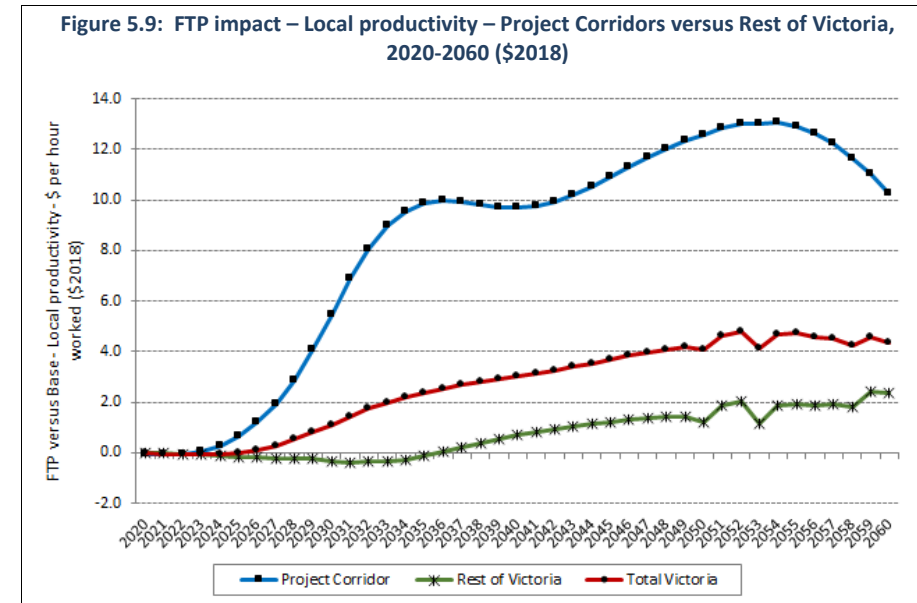


Victoria's regional economies will grow faster

Rebalancing population growth will reinvigorate regional economies that have been declining for the last two decades*



Actual performance for the past two decades



Predicted performance for the next four decades

* Source: National Institute of Economic and Industry Research: STRONGER, TOGETHER - An independent state-wide macroeconomic assessment of fast regional commuter rail network impacts on Victorian settlement patterns, economic growth, fairness and opportunity, 2020

Most Victorians will be better off

Regional economies will thrive, increasing regional workers incomes from 81% of Melbourne workers income in 2019, to 93% by 2050*

Figure 5.4: Local population difference from Base, 2060 (number)

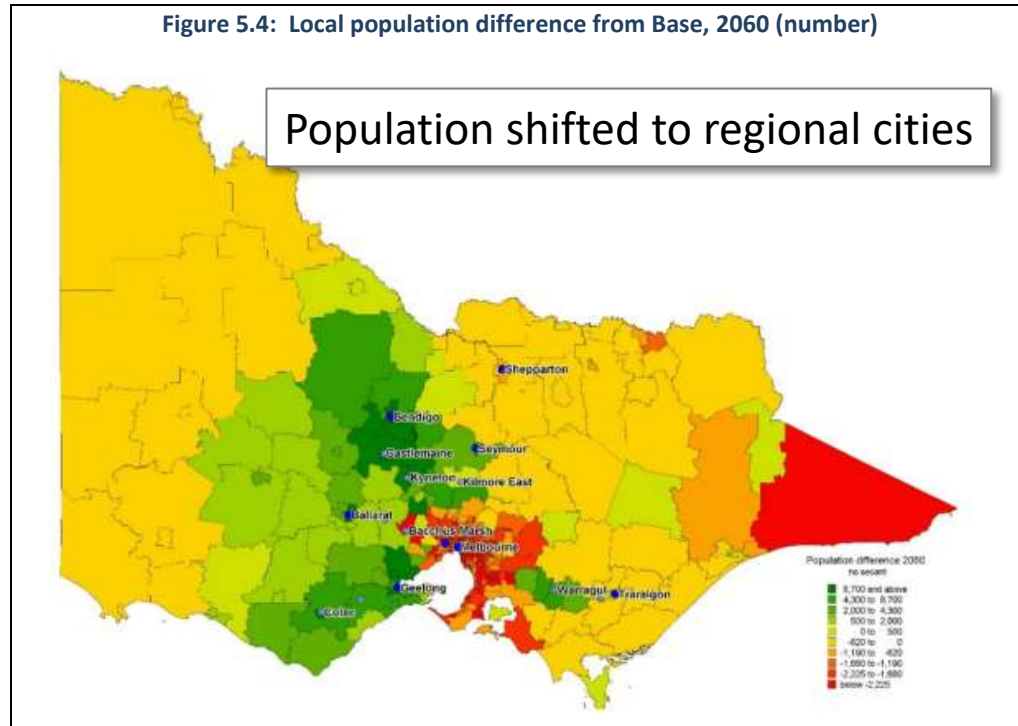
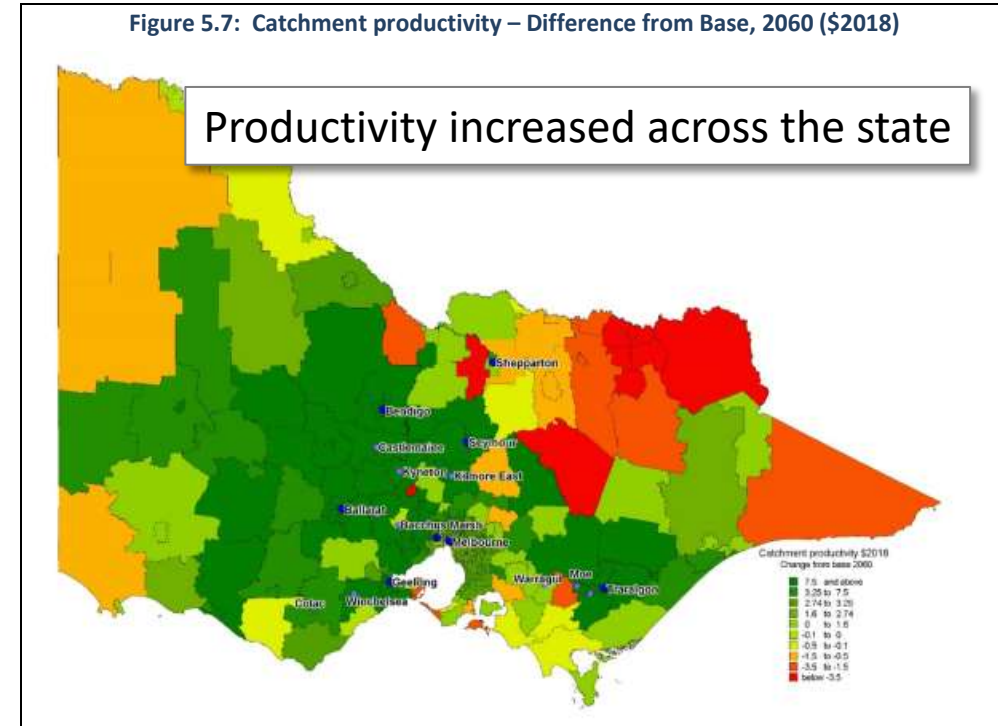


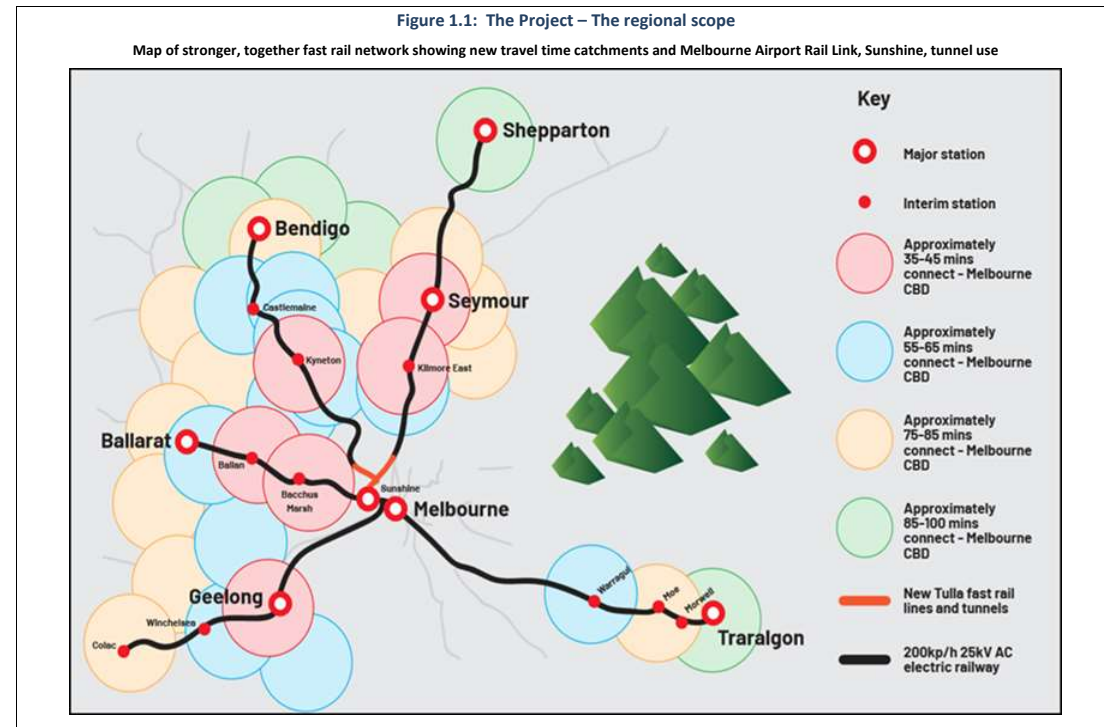
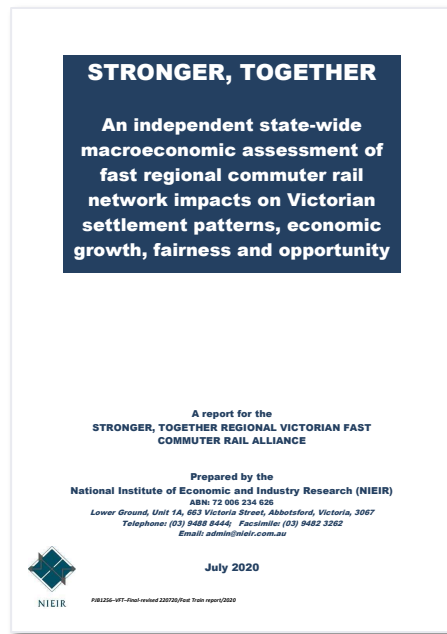
Figure 5.7: Catchment productivity – Difference from Base, 2060 (\$2018)



*Source: National Institute of Economic and Industry Research: STRONGER, TOGETHER - An independent state-wide macroeconomic assessment of fast regional commuter rail network impacts on Victorian settlement patterns, economic growth, fairness and opportunity, 2020

The economic benefits justify the investment in faster rail connections

“A project (or set of corridor projects) which promises to yield a long-run 5 per cent increase in Victoria’s GDP and a 10 per cent internal rate of return on investment along with a reduction in regional inequality cannot be lightly disregarded.”



CONCLUSION

VICTORIA SHOULD
REBALANCE ITS
POPULATION GROWTH INTO
REGIONAL CITIES

- Rebalancing population growth into Victoria's regional cities will create higher economic growth compared with the same population growth in Melbourne
- The economic benefits of boosting regional growth will pay for investment in faster rail connections

The question is what connectivity do regions need?

LET US KNOW WHAT YOU
THINK



To find out more, go to our [engagement hub](#)

Download the discussion paper

Sign up to join the campaign