

# Paddock to Port

Major infrastructure projects planned in the Darling Downs and the impact on local agribusiness and industrial property sector

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## Background

With many large producers operating in the agriculture sector across the greater Darling Downs there is significant demand for capacity in the freight network and or a strategic area offering an inland port. Concurrently, like all physical supply chains, the food supply chain is dependent on a range of infrastructure for continuity of production, processing, distribution and retail—power, water, financial services, communications and transport services. One particular factor contributing to the current inefficiency of the food logistics sector across Queensland and the nation is the deteriorating infrastructure. As Hall and Frew (2016) state “regional road and rail infrastructure are either outdated and/or aging, exposing regional users to comparatively lower quality infrastructure to that of other economic areas. Particularly, rail infrastructure has limited capacity and rail movements are relatively slow”. New and or improved infrastructure projects can lead to a change in the food supply chain distribution network used by various operators and also influence their preferred choice of location.

## Executive Summary

The following paper investigates a number of recently added and planned infrastructure projects located in the Darling Downs region and looks at their current and likely future impact on the agribusiness and industrial property sector across the region. The infrastructure projects reviewed in this paper include, the Toowoomba Second Range Crossing (TSRC), Brisbane West Wellcamp Airport (BWWA) and the Brisbane – Melbourne Inland Rail. Combined these infrastructure projects are likely to see a change in the way food and perishables are efficiently transported to their desired markets within the region hence resulting in a change in the food supply chain network and opening up the region to new export markets. The importance of the improved infrastructure from an economic and social viewpoint is highlighted consistently throughout the paper. A review of current demand from tenants, owner occupiers

and developers of industrial property as a result of these projects is also analysed with specific reference to a number of industrial parks that have emerged and developed since the announcement of these projects.

## 1. Queensland Food & Agribusiness Sector

Agriculture forms the economic and social backbone of the majority of Queensland's regional communities (Hall and Frew, 2016). Queensland's food and agribusiness sector is a major contributor to the State's Gross State Product (GSP) and Australia's Gross National Product (GNP). The agriculture sector is anticipated to contribute \$16.8 billion directly to the State's economy for 2015-16 with rural goods exported expected to contribute over \$9 billion (Department of Agriculture and Fisheries, 2015). Additionally, further statistics related to the sector include:

- Queensland is Australia's premier state for fruit and vegetable production, growing one-third of the nation's fruit and vegetable produce. (Source: Growcom, The Queensland Horticulture Industry)
- Queensland is Australia's primary beef producer and is home to 49 per cent of Australia's total beef cattle herd. (Source: Ibisworld, Organic Farming Report, 2011)
- organic farming is a high-growth area of agriculture across Australia, and Queensland has attracted 26 per cent of Australia's organic producers. (Source: Ibisworld, Organic Farming Report, 2011)
- employs more than 43,000 people in the processed foods sector
- includes more than 1,400 processing companies

The industry is characterised by two distinct categories:

- food processing and manufacturing (including fruit and vegetables, value added products such as dairy foods, ingredients, desserts and confectionaries and ready to eat meals and;
- meat and meat product manufacturing (including fresh seafood).

Source: Qld Government, 2016. Food and Health Science Precinct, Delivering Clean Safe and High Quality Food and Animal Products <https://www.qld.gov.au/dsiti/science/assets/documents/health-food-sciences-precinct-brochure.pdf>.

As the Department of Agriculture and Fisheries (2015) outlines the sector is well placed to realise long term growth as a major exporter of agricultural products over the coming decade. Driving this demand is changes in the global market and consumer preferences contributing to the rise in demand for Australian agriculture products particularly from Asia. An important factor which will assist the realisation of this goal is an improvement in the sectors supply chains which will aid in lowering production costs, improve efficient output volumes and safeguard the longevity of the agriculture sector (Hall and Frew, 2016).

Toowoomba is located in the South-East corner of Queensland, Australia. The extremely fertile farming land in the area has allowed the region to become a premium food and agricultural producer. Toowoomba is the second largest inland city in Australia and the service centre for South-West Queensland and North-West New South Wales and the Surat Basin - one of Australia's richest accessible resource reserves. As identified by the Toowoomba Surat Basin Enterprise the Toowoomba Region has the second highest gross value of agricultural production in Australia. The cropping sector has the highest value of production with \$286.8 million or 43.2 per cent of total agricultural production followed by livestock slaughtering, \$189.0 million or 28.5 per cent of total production, and livestock products, \$188.1 million, or 28.3 per cent of total production.

## 2. Major Infrastructure Projects

Some major infrastructure projects have been secured for the Toowoomba region which will ensure improved access to road, rail, air and port facilities providing the opportunity for increased export capability. These include:

- Toowoomba Second Range Crossing (TSRC) - a vital road infrastructure project which will help drive Queensland's economic growth by providing a gateway to the resource rich Surat Basin and the agricultural food bowl of the Darling Downs.
- The Brisbane West Wellcamp Airport which became operational in November 2014. The 2.87 kilometre runway capable of catering for Boeing 747's will cater for both passenger and freight transport. The airport will include the Wellcamp Business Park which will focus on aviation, logistics, transport corporate and mining services.
- The Melbourne – Brisbane Inland Rail Project, a key national project building an Inland Railway between Melbourne and Brisbane via central-west NSW and Toowoomba that will enhance the existing rail network and serve the Australian interstate freight market.

The impact of the above projects could substantially change the food supply distribution network currently in place across greater South East of Queensland but more particularly the Darling Downs

region. Prior to the completion of these projects there has already been planning and construction of major transport and logistic parks located within close proximity to these current and proposed infrastructure projects.

### i. Toowoomba Second Range Crossing (TSRC)

The Toowoomba Second Range Crossing (TSRC) will take heavy vehicle highway traffic around north of Toowoomba rather than through it. The project is currently under construction and includes a 41km-long bypass route will run from the Warrego Highway at Helidon Spa in the east to the Gore Highway at Athol in the west, via Charlton. A map outlining the project is provided at the following website address – <http://nexustsrc.com.au/construction/maps/> It is anticipated that the TSRC will bring \$2.4 billion over 30 years of economic and productivity gain for business and industry to Toowoomba. When completed, the crossing will significantly increase the movement of freight along the national road network.

With an estimated construction period of around three years (from late 2015), the project will be delivered using a Public Private Partnership delivery model with anticipated completion date of late 2018.

In addition, as part of the work on the TSRC and Brisbane West Wellcamp Airport, the Toowoomba-Cecil Plains Road interchange will serve as a connection point and is located approximately 2km from the airport. This will result in an intermodal link offering air and road freight to efficiently distribute agricultural and food produce to the greater South East Queensland domestic markets. There are currently 3,500 truck movements across the range each day. It is estimated that the project will improve freight efficiency and reduce vehicle operating costs, with TSRC documentation citing "commercial vehicle operating costs will be reduced by approximately 25 per cent" (Queensland Transport and Logistics Council, 2014).



## View of the work conducted on the Toowoomba Second Range Crossing (TSRC)



### ii. Brisbane West Wellcamp Airport (BWWA)

Brisbane West Wellcamp Airport (BWWA) is located 17km west of Toowoomba on Toowoomba Cecil Plains Rd and 140km west of Brisbane. The airport was built by the Wagner family and opened for operation in late 2014. The 300 hectare airport with its 2.87km runway and 8,000 sqm terminal provides interstate, intrastate and international connectivity for the Darling Downs, Granite Belt, Surat Basin and Southern Downs regions. Immediately adjacent to the airport and aviation precinct is the proposed Wellcamp Business Park. This 500 hectare land estate is being developed into a modern business park which will become the commerce and industry hub of Toowoomba and regional south east Queensland.

The airport also now provides regular international freight operations servicing North Asia. Cathay Pacific Airways started operating a weekly scheduled air cargo service out of the Brisbane West Wellcamp Airport from late last year. The 747J8F service between Toowoomba and Hong Kong will be southern Queensland's only scheduled international airfreight – only service. As a result of the new service agricultural produce such as chilled meat and other perishables are able to fly directly to Asia from the region which they are produced and enable the capacity for the growth of trade. The BWWA will directly link up with the TSRC via the Toowoomba-Cecil Plains Road interchange, approximately 2km from the airport. This will create an efficient intermodal route for the transportation of agriculture produce from Brisbane to Toowoomba and also to Asian markets.

For more information on the project visit – <http://www.wellcamp.com.au/>

Whilst Dunne, et al. (2015) also suggest that Singapore, Hong Kong and Middle East destinations such as UAE, Bahrain and Qatar are the main export markets for Australian horticulture and meat products, China and Hong Kong would be the most likely sources of back loading consignment for cargo flights out of BWWA. Additionally the China-Australia Free Trade Agreement, which entered into force on 20th December 2015 delivers to Australia and particularly now with BWWA up and running, the Darling Downs region, significantly improved market access for agriculture and processed foods, providing companies with access to China.

At present the BWWA freight cargo service to Hong Kong is best suited to high value premium agricultural produce or perishables and/or, value services more so than bulk produce which is more economically suited to distribute via Brisbane's port. Additionally, TSBE Executive chairman has been quoted when discussing beef exports using the BWWA as stating "the Darling Downs exports could not compete with India or Brazil, but the region's reputation for premium produce had secured it a position in the Chinese middle-class market which was prepared to pay higher prices" (Miko, 2017). At present exported via the BWWA includes:

- Premium beef exports
- Organic chicken
- Grains
- Lettuce, pecans and mangoes
- Mining equipment and supplies

### iii. Melbourne – Brisbane Inland Rail Project

The announcement of the approval of the Melbourne – Brisbane Inland Rail will bring immense capacity and demand for transport and logistic distribution hubs in regional cities such as Toowoomba.

The inland rail project will provide a high-capacity freight link between Melbourne and Brisbane through regional Australia connecting cities, farms, and mines via ports to domestic and international markets. The inland rail will pass through four major productive agricultural regions, and takes advantage of 1,200km of existing rail corridor and will involve the construction of around 500km of new track. The track will enable the use of double-stacked, 1,800m long trains with a 21 tonne axle load at a maximum speed of 115km/h, allowing for the transit of greater freight volumes. Each train could carry the equivalent freight volume as 110 B-double trucks. It is proposed the new rail route will be up to 10 hours faster than the existing coastal rail network via Sydney. The current proposed route is available at web link – <https://infrastructure.gov.au/rail/inland/files/inland-rail-alignment.pdf>

The proposed route travels via Parkes (regional freight hub) and builds on existing regional and urban rail connections to provide access to the ports of Melbourne, Port Kembla, Sydney, Newcastle, Brisbane, Adelaide and Perth. The Federal Government has announced that the alignment is clear where Inland Rail uses existing rail corridors however parts of the route are to be refined and finalised. In particular, the proposed route within the 500km of new rail corridors from Illabo to Stockinbingal, Narramine to

Narrabri, North Star to the New South Wales/Queensland border and throughout the majority of the Queensland section to Kagaru is still in review.

The proposed Queensland section of the inland rail includes a number of stages. The Queensland section of the proposed route meandering down the Toowoomba Range to Helidon was key to the whole project and has implications for the Darling Downs economy. The 26km single-track dual gauge freight line includes a 6.3km tunnel through the Range and will cost an estimated \$1.35 billion. About 1800 jobs will be created – about the same as the bypass project – and work could start as early as 2019 with completion expected by 2024. The 47km section to Calvert to Kagaru will take the line about half way to Brisbane and will cost about \$1 billion. It involves a 1.1km tunnel through the Little Liverpool Range and construction will create about 1800 jobs. Both sections involve the construction of rail infrastructure, culverts, bridges, viaducts and crossing loops. The final leg of the approved Queensland route travels to Acacia Ridge via Bromelton. Additionally there is also discussions regarding Acacia Ridge to the Port of Brisbane as a separate but complementary project that will provide inland rail standard connectivity to the Port of Brisbane. A transit time of under 24 hours from Melbourne to Brisbane has been estimated.

#### Planned Section / Route of Melbourne – Brisbane Inland Rail



The Australian Government has commissioned the Australian Rail Track Corporation (ARTC) to deliver the project, with activities to support construction to begin immediately for the first train in 2024-25. The project is estimated to provide up to 16,000 direct and indirect jobs supported at the peak of construction, and an additional 700 jobs during operation. It will reduce the number of B-double trucks on major highways and major arterial roads. The project is anticipated to boost Australia's GDP by \$16 billion over the next 50 years and reduce emissions by 750,000 tonnes.

Once complete the project is likely to improve access to domestic and international supply chain networks for regional producers and industries, leading to productivity and economic growth for regional communities. As the proposed route travels through Australia's prime producing farming regions, it can be expected to draw significant volumes of grain, cotton, chilled beef and other commodities onto rail. In Queensland, construction and operation of inland rail is expected to boost gross regional product by over \$2 billion in the Darling Downs region and by almost \$1 billion in the West Moreton region (Australian Federal Government, 2017). The Federal Government outline the benefits of the inland rail as the following:

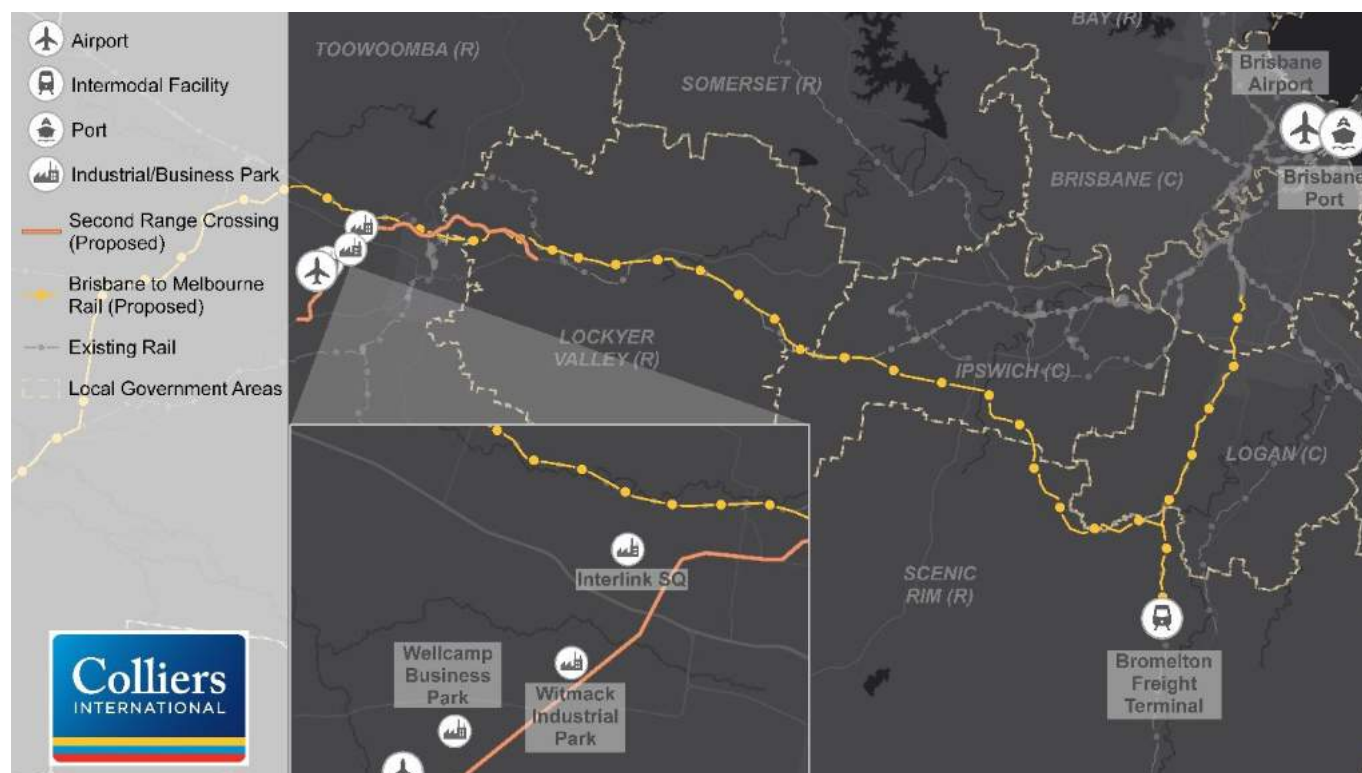
- Saving time – Less than 24 hour rail transit time
- Reduce supply chain costs – reducing rail costs by \$10 / tonne
- Improving access to and from regional markets
- Improving sustainability – 750,000 less tonnes of carbon emissions and 1/3 the fuel of road.

### 3. Current and likely future impact of new infrastructure projects

As a result of Federal and State government commitment to a range of infrastructure projects in the region there has since been an influx of new business parks emerge within the region. There has also been commitment by major corporates operating within the mining, logistics and agriculture sector to headquarter their operations within the business park.

The Toowoomba Enterprise Hub, brings together air (BWWA), road (TSRC) and rail (Melbourne-Brisbane Inland Rail) connectivity into one strategic location for regional and Queensland businesses (TSBE 2016). The Toowoomba Enterprise Hub includes three major facilities: the Wellcamp Airport and Wellcamp Business Park, InterLinkSQ, and Witmack Industry Park. These business parks have been planned with the vision that they would eventually be part of a multi modal freight network when the TSRC, BWWA and Inland Rail project are complete. The below map identifies these business parks along with current and proposed infrastructure in the greater region. It must be noted that whilst the Melbourne to Brisbane Inland rail is likely to significantly benefit the Darling Downs and greater Surat Basin the degree of its impact on each business park will depend upon the final route which at this stage is yet to be confirmed by the Federal Government. In summary, however with the recent announcement of the approval of the Melbourne – Brisbane inland rail, construction of the TSRC and operation of a freight cargo service at BWWA, the demand for industrial warehousing, cold room and distribution centres is likely to further increase within the immediate region.

Planned Major Infrastructure Projects – Darling Downs Region



## Wellcamp Business Park

The 800 hectare Wellcamp business park is strategically located adjacent to the BWWA and within close proximity to the TSRC and Brisbane West Wellcamp Airport. The business park has positioned itself as a major hub for the export of perishable agricultural goods and high valued products and services direct to Asia, product that otherwise would have been shipped in passenger jets from Brisbane or on freight planes from Sydney. As a consequence many companies have and continue to look to relocate their manufacturing, processing, distribution centres within the many business parks currently in operation surrounding the airport.

The park caters for potential industries such as:

- Aviation maintenance and logistics
- Transport logistics
- Warehousing and distribution
- Corporate offices
- Manufacturing
- Commodity processing
- Factory outlets

Wellcamp Business Park offers fibre optic cables providing connectivity to and around the business park and approval has been granted to provide electricity to the businesses within the site. The business park is powered by its own electricity substation which is then distributed to tenants.

The first major tenant to commit to the business park in mid-2015 was Schlumberger, the world's largest oilfield and gas services company. The company committed to an industrial facility and was attracted to the park given its strategic position to the BWWA along with proximity to the gas fields of the Surat Basin. Additionally, plans were submitted and approved in mid-2016 for a 4,000sq m transport and warehouse depot. Approved plans were for the depot to be located on Ballera Crt directly opposite oil and gas company Schlumberger's facility. Developer of the Business Park, John Wagner was quoted as stating "We see that the business park will cater for food processing, particularly that value-adding sector, where it can be value-added, straight on an aircraft overseas. And transport and logistics - we see that as a big part of our market" (Pip, 2015). This statement came a reality when in mid-2016 the Toowoomba Integrated Milk Project – a joint venture between Au Lait Australia and Nature One Dairy submitted a development application for a \$35 million facility to be located at the Wellcamp Business Park to manufacture up to baby formula, along with fresh milk, UHT milk and other dairy products. The Toowoomba Regional Council approved the plans for the facility to be constructed on land on International Drive, in the Wellcamp Business Park and directly across from Wellcamp airport, in late 2016. The company has been in discussion with Cathay Pacific freight services about exporting its products from the Brisbane West Wellcamp Airport to Asia. The company is also undertaking a feasibility study to establish a dairy farm in Texas to supply the factory.



**Proposed \$35 million Toowoomba Integrated Milk Facility Project – a joint venture between Au Lait Australia and Nature One Dairy, to be located at the Wellcamp Business Park.**

## InterLinkSQ – Intermodal Transport and Logistics Centre

InterLinkSQ is a 200 hectare master planned transport and logistics park located 13km west of Toowoomba, directly opposite the Interlink Global Logistics Centre and is part of the greater Toowoomba Enterprise Hub. The intermodal transport and logistics centre location has been strategically chosen to maximise transportation and supply chain efficiencies. The InterLink Global Logistics Centre is an open access intermodal terminal linking rail, road, sea and air, incorporating grain and commodities storage, processing and loading facilities, rail maintenance and provisioning and a large container handling and storage area.

The park is strategically located at the junction of three major highways, the Gore, Warrego and New England, with connectivity to the Toowoomba Second Range Crossing. The park benefits from 3km of frontage to the existing West Moreton rail line connecting to the Port of Brisbane as well as the preliminary proposed route for the Inland rail alignment (although it must be noted that this particular route has not been finalised as yet and is open to review).

The park is operational from September 2017. The park rail offering will be up and running from September 2017 with direct connectivity to Brisbane's Port via the West Moreton Rail Line.

The park is situated as a major hub for freight moving from metropolitan centres including Brisbane, Sydney, Melbourne, Perth and Darwin as well as via the Port of Brisbane and the Brisbane West Wellcamp Airport (BWVA) which is situated 8km from the park. In terms of connectivity the business park offers the following:

- As-of-right Type 1 Road Train access from the Warrego Highway
- Type 2 Road Train access within the precinct
- Junction of major road transport routes – Warrego, New England, Gore Highways
- Direct Road & Rail connection to the Port of Brisbane
- Access to the Toowoomba Second Range Crossing (due for completion 2019)

The business park offers fully serviced lots and flexible packages including turnkey or land only options. The park benefits from being located directly adjacent to the Interlink Global Logistics Centre which offers the following:

- Rail Terminal Servicing: - IMEX Port Shuttle to Port of Brisbane
- Regional Network
- Interstate (standard-gauge) Network
- Capacity from 96,000TEU to 750,000TEU
- Reduced freight handling costs
- Direct wharf booking logistics centre

## Map of InterLinkSQ



## InterLinkSQ Global Logistics Centre & West Moreton Railway

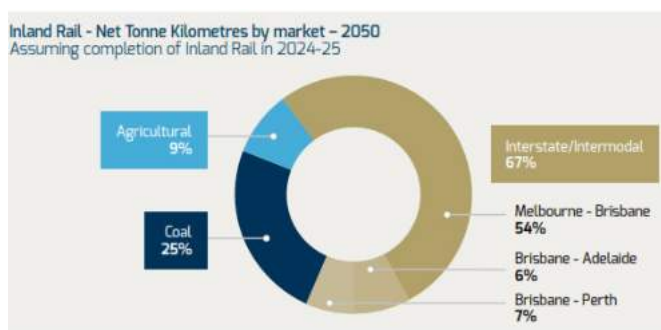
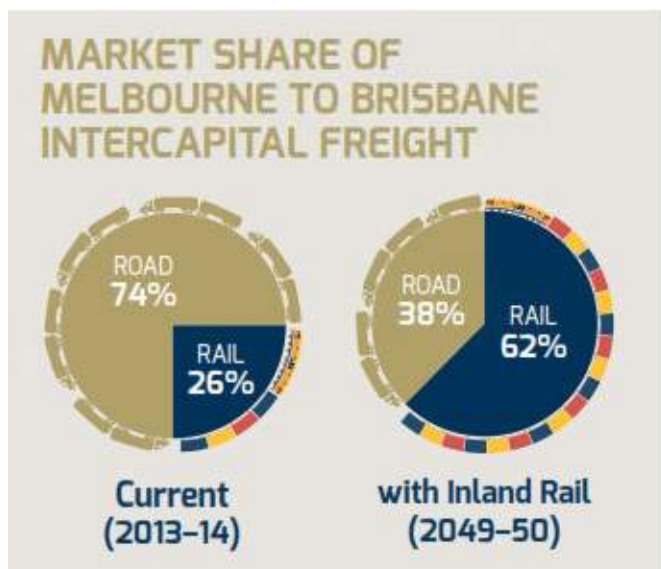
It is envisioned that InterLinkSQ will be operational on the Queensland rail line (the West Moreton line) about five to eight years before the Melbourne – Brisbane inland rail project with the rail offering up and running from September 2017 with direct connectivity to Brisbane's Port via the West Moreton Rail Line.

The West Moreton Rail System is the oldest coal railway in Queensland with sections progressively being opened between 1865 and 1898, the railway has been used to transport passengers, agricultural products including livestock, grains and, cotton, and coal over the years. Today, thermal coal is the predominant product originating from and hauled on the West Moreton system although grain also originates from and is hauled on the system.

## InterLinkSQ and Melbourne – Brisbane Inland Rail

The current proposed route for the Melbourne – Brisbane rail section of Gowrie to Helidon would connect InterLinkSQ to the Inland Rail project providing cost advantageous for transport operators looking for direct access to either the Port of Brisbane or to Melbourne. As the ARTC business case for inland rail explains "currently 26 per cent of inter-capital freight such as hardware, steel, groceries, and other consumer goods that travel between ports and capital cities before being distributed to retailers moves between Melbourne and Brisbane via rail. By 2049-50 it is estimated that this will shift upward to 62 per cent using rail or equivalently 7.9 million tonnes of inter-capital freight will use rail between Melbourne and Brisbane by 2049-50" (ARTC, 2015). Australian Rail Transport Council (2015). The Case for Inland Rail – Summary of the 2015 Business Case.

Additionally, because Inland Rail will travel through Australia's four richest farming regions and mining regions, it can be expected to draw significant volumes of grain, cotton, chilled beef, coal and other commodities onto rail.



Source: Australian Rail Transport Council (2015). The Case for Inland Rail – Summary of the 2015 Business Case.

Given the above benefits and growth anticipated for inter-capital freight travel along with the direct positioning of InterLinkSQ with the proposed inland rail route, it is not surprising that the industrial park has positioned itself to attract such industries as:

- General and cold-store warehousing
- Grain handling and packing
- Transport depots
- Freight forwarders
- Food manufacturing and processing facilities
- A range of support services

In summary, the co-location of freight-generating businesses creates a consolidated freight volume which drives efficiencies and cost competitiveness. When combined with close proximity to key transport infrastructure and modal choice, this provides further cost savings and operational efficiencies, delivering straight to the bottom line for businesses.

## InterLinkSQ and the Benefits of an Inland Port

Once the InterLinkSQ business park is up and running in September 2017 it will be running as an inland port. There are many benefits inland ports bring to driving supply chain efficiencies, these are identified on the InterLinkSQ website ([www.interlinksq.com.au](http://www.interlinksq.com.au)) and include:

### 1. Driving efficiency of portside land:

Portside land is the most expensive area for cargo and cargo carriers to wait while containers are being unloaded off the vessel, sorted, and then loaded onto train or truck for distribution. Inland ports provide productivity and efficiency gains for stevedores and sea port operators by taking the time-intensive work of sorting and loading containers inland to an intermodal facility such as InterLinkSQ, freeing up space at the waterfront port and in turn increasing the port's capacity.

### 2. Lower transportation and operational costs:

Road freight is much more expensive than rail freight. One train from Toowoomba to the Port of Brisbane can carry the same amount of cargo as 52 trucks, allowing road transport to stay on the main highways where they are able to experience greater efficiencies (fuel, and associated operational and maintenance costs) as opposed to travelling in urban areas. Space for warehousing and distribution facilities at an inland port are also significantly cheaper than a coastal port.

### 3. Transport efficiencies:

Inland ports facilitate a more efficient transport model. For example, Toowoomba currently acts as a funnel for the major export regions of the West to the Port of Brisbane with about 50 per cent of the Port's throughput emanating from or travelling to Toowoomba and the West. The construction of InterLinkSQ as an inland port allows truck fleets to transport cargo more efficiently from the production regions to the inland port, creating more volume of supply. The ability to discharge loads in a regional area such as Toowoomba for transfer to the port via rail or internationally via air, provides operational efficiencies which again lowers transport cost in turn lowering the cost of goods on the global market.

The Port of Brisbane has indicated a significant projected increase in both road and rail freight along the transport corridor between Toowoomba and the Port over the period to 2045. These forecasts indicate a sizable shift in freight task from road transport to rail, despite significant increases also in the volume of road freight; accordingly, user benefits should accrue through use of rail freight transport, specifically container freight, with industry sources suggesting a cost saving of approximately \$50 per TEU (twenty-foot equivalent unit) based on current market rates.

### 4. Reducing traffic congestion on metropolitan roads:

Strong growth in freight exports has led to an increase in trucks on metropolitan roads. The introduction of a rail service from an inland port facility to the Port of Brisbane improves the safety on the roads in port cities. Safety is improved in urban built up areas when freight is transported on rail, rather than road. This reduces the risk of environmental incident caused by both accidents and incidents in addition to a reduction in CO2 emissions resulting in air pollution. Dangerous goods being transported on rail also reduces the risk of public exposure to dangerous goods.



Other indirect benefits include a reduction of traffic congestion, 'The Bureau of Infrastructure, Transport and Regional Economics (BITRE) predicts that the excess, or avoidable, national costs of traffic congestion in Australian cities will exceed \$20 billion by 2020. These costs reflect the extra travel time, fuel usage, travel time unreliability and pollution arising from congestion, compared to a situation of optimal traffic flows.'

#### 5. Significant environmental benefits:

Using InterLinkSQ as an example, implementing a rail shuttle from the Port of Brisbane to InterLinkSQ, will save 125kg of CO2 emissions per container transferred from road to rail. One train to the Port of Brisbane is equivalent to the carbon savings of 5 homes in Queensland moving to renewable energy sources from mains power. Other environmental benefits include the reduction of air pollution, greenhouse gas, noise, and water pollution (arising from the leakage of engine oil onto the road and into waterways).

#### 6. Located for ideal connectivity:

Inland ports are ideally located to drive supply chain efficiencies through intermodal transport connectivity, allowing direct access to distribution and warehousing centres. InterLinkSQ is located at the junction of three major highways and features a 3km frontage along the West Moreton Rail Line and proposed Interstate Standard Gauge Network, providing connections to Brisbane, Melbourne, Sydney, Perth, and Darwin, as well as international markets via the Port of Brisbane and Toowoomba's domestic and international airport.

InterLinkSQ is a game changing project, funded by 86 primarily local families the InterLinkSQ project has been developed to boost the Southern Queensland economy and create much needed efficiencies in the rail freight industry as the result of a direct need from businesses in the region. With a rail offering from June 2018, InterLinkSQ will initially create a shuttle from the Darling Down and Surat Basin regions to the Port of Brisbane. The ability to house

businesses on the InterLinkSQ site enabling direct access to the rail terminal can bring additional savings to local business. The ability for businesses to save on freight, which is a real cost to business will allow the region to grow exponentially, and the businesses on site to be a leader in the field and set trends in the market.

## Witmack Industrial Park and Witmack Transport and Logistics Park

Witmack Industrial Park and Witmack Transport and Logistics Park are located adjacent to one another positioned approximately 120km west of Brisbane and 10 minutes from Toowoomba's CBD. The park is strategically located offering location advantages such as the following:

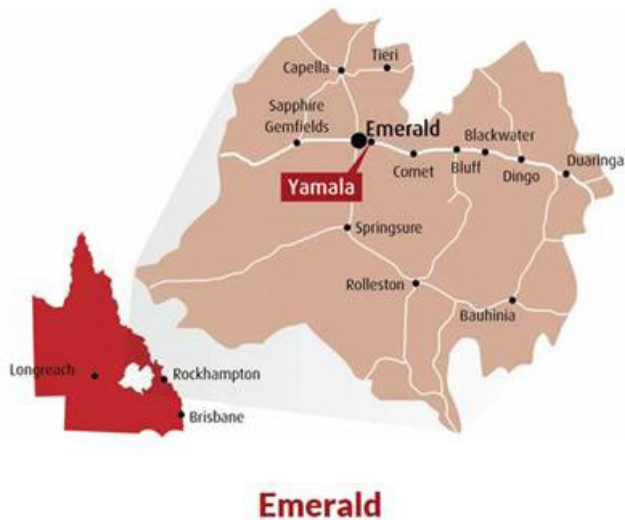
- Easy access to the federally-funded Toowoomba Second Range Crossing / Bypass (Warrego Highway to Gore Highway link)
- Easy access to the Warrego Highway and Toowoomba Cecil Plains Road
- Close proximity to the jet-capable Brisbane West Wellcamp Airport and anticipated Interlink South Queensland Brisbane – Melbourne intermodal rail terminal
- Ideally placed at the gateway to the Surat Basin Energy Resources hub
- Lower-costs and no logistical bottle-necks compared to metropolitan property markets.

Witmack Industry Park's strategic partner, the FKG Group, provides integrated construction, engineering and support services for the property, resources, infrastructure and government sectors across Australia. The transport and logistics park offers large industrial allotments for sale and or lease. More specifically the industrial estate offers the following:

- Large lots from 4,000 sqm to 20 hectares,
- Flexible tenure options, including purpose-built lease facilities and purchase-plus-build options,



## Location map of CQ inland port



The facility enables direct connection to rail, road and port. CQ Inland Port offers Road Train (Type 1) and B Double road access, north-south via the Gregory Highway. Linking Northern Queensland with New South Wales. The Capricorn Highway links to the East Coast from Rockhampton to Central Queensland and beyond to Northern Territory. Additionally, from the CQ Inland Port, there are 20 tonne axle load rail links to Gladstone, South to Brisbane, and North to Mackay and Townsville, seamlessly integrating the site into the existing Queensland rail network. Furthermore, the CQ Inland Port is ideally situated for product to be delivered to the eastern seaport of choice, namely Gladstone, Mackay, Townsville, and Brisbane, by road or rail.

The strategic location of the CQ inland port in Emerald positions itself in the unique crossroads for the distribution of various horticulture and agriculture products and services. The inland port envisages growth in trade volumes, industrial and support activities on site, servicing the surrounding agricultural catchment and facilitating bulk and containerised aggregation, intermodal transfers and efficient distribution.

A large range of services are possible at CQ Inland Port – transshipment of container and break bulk, warehousing and storage, including cold storage options, cleaning, repairs and inspections of containers, quarantine, pre-assembly, packing, unpacking, repacking and value adding.

Louis Dreyfus Cotton Gin is already based at the Yamala site. The cotton gin process's 100,000 cotton bales per a year, which produces 23,000 tonne of cotton lint and 25,000 tonne of cotton seed a year for international export. Additionally, GrainCorp also has committed to a 47ha site within the port with a new rail spur line included in the contract of sale enabling the vendors to complete a new intermodal facility on the opposite side of the track. GrainCorp announced plans to construct a state-of-the-art grain handling facility on the site. A new GrainCorp site will provide a premium service to growers. The facility and the rail siding will contribute significantly to the region's competitiveness in a highly contested global market and provide growers with savings from efficient supply chain costs.

Funding has been received from the Queensland State Government for catalyst infrastructure to support the development of this project – rail and road. Collaborative contributions for key infrastructure from CQ inland port, Grain Corp and the Central Highlands Regional Council.

For more information on the project visit the website at [www.cqinlandport.com.au](http://www.cqinlandport.com.au)

## 4. Conclusions

As this paper has outlined there is wide ranging benefits associated with the current and future infrastructure planned for the greater Darling Downs Region. Infrastructure has the ability to drive economic growth, improve supply chain efficiencies, create employment, improve productivity and in some instances drive property prices. Some of the benefits as outlined throughout this paper include:

- Improve supply chain efficiencies and hence productivity of food and transport and logistic sectors
- Open up the agriculture sector to external markets
- Contributor to gross and regional state product and hence broader improvement in economic conditions
- Reduced transportation time and associated costs
- Potential to see industrial land and rents rise within areas of where there is limited supply of this product
- Likely to improve/contribute to overall economic outcomes for greater community – jobs, income etc.
- Reduce carbon emissions and gases
- Reduce congestion on major arterial roads and improve safety

# References

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