THE LEGISLATIVE COUNCIL GOVERNMENT ADMINISTRATION COMMITTEE B MET AT 10 A.M. AT THE YARRA VALLEY RAILWAY, HEALESVILLE, VICTORIA ON WEDNESDAY, 8 MAY 2019

# NORTH-EAST RAILWAY CORRIDOR INQUIRY

Mr BRETT WHELAN, PRESIDENT, YARRA VALLEY RAILWAYS WAS CALLED AND EXAMINED.

CHAIR (Ms Armitage) - Welcome, Brett.

Mr WHELAN - Thank you for coming today. I appreciate you taking the journey across the water. A little bit of background about the Yarra Valley Railway. We have no paid staff and are 100 per cent volunteer run and operated. It is truly community-based. The board is composed 100 per cent of people who live within the council shire and, effectively, probably about 60 or 70 per cent of our volunteers are local volunteers. They are not necessarily railway enthusiasts. It is a common misconception about people who volunteer at a tourist and heritage community railway, like trains. Many will tell you it couldn't be further from the truth. We have a lot of volunteers who just want to see a really good community-driven story.

Most of our volunteers are necessarily members of the railway. We have over 500 individual members of the railway, but our volunteering is much larger than this. I can describe how that works.

The railway, itself, is unique. It is one of the few in Australia - and, in fact, in the world - that is effectively rebuilding the railway from the ground up. When the new management took over - and Steven [inaudible]. As the sign says, it is community-driven turnaround, converting a community asset into one that will deliver real economic benefit to the community.

Back in 2010, a new management team came in and removed the previous management who had been involved with the railway. Before that, the best way to describe the railway was that it had been more like a men's shed. It had a membership of about 80 and was very Healesville-centric. There was a lot of meaning, but no strategy and way to get to the future. We were just running little workmen's trolleys, effectively doing work for the track. They are little lightweight things; we still use them for track inspections, and one has just left for the train we will going out on later on today.

The local community and the businesses in the local community could see the railway could be so much more. One of the advantages in Victoria is we have other tourist and heritage railways we can look at and see the value they have delivered to their local communities and the wider community of Victoria.

The board came from business professionals; we also needed some rail expertise which came with the board. With this, we developed a business plan, which I will go through to explain how we actually did what we are in the process of doing. Since then, membership has grown to over 550 and our volunteering is probably easily over 600 individuals each year.

Mr ARMSTRONG - Is this a paid membership?

**Mr WHELAN** - We keep it fairly low so it is open for all people, no matter what their level of pay. It is \$35; there is not a lot our members get from that.

**Mr ARMSTRONG** - What is your board made up of?

**Mr WHELAN** - It is a board of seven. Was it Rosemary, I was talking to about the board?

CHAIR - Yes.

Mr WHELAN - Thank you. Our board is reasonably young for a community board. As I am sure you all know, most community volunteer boards are mostly made up of retired people. That is not the case with our board. I am one of the oldest members of the board. The president and secretary are probably a couple of years older than me. We have both males and females on the board. Most of the board is made up of people in their late thirties. That is the average age.

**Mr ARMSTRONG** - Are some of the business people of Healesville members of the board?

**Mr WHELAN** - Yes. As I mentioned before, they are all from the Yarra Valley Shire. All members of the board live, and most work, within the shire.

**Mr ARMSTRONG** - How big is the shire roughly? How far does it extend?

**Mr WHELAN** - It's a reasonable size shire. Basically, draw a line around the Great Divide, and you can see the mountains - maybe not today - around us. The line sort of circles out and goes out to Lilydale, where you've driven through. It's what they call an interface council, so it has rural and a little bit of agriculture in it.

**Mr ARMSTRONG** - I was just curious about the distance.

**Mr DEAN** - How many of the members are active in the running of the railway?

Mr WHELAN - They make up a smaller percentage of the overall volunteers. We have a lot of armchair members - that is the best way to describe them. We don't directly relate our membership to our volunteer rate; they are two totally different things. We have volunteering that is much wider than our membership. If I say around 600 volunteers per year attend the railway, maybe only 40 per cent of those are actual members of the railway.

The membership tends to take the core positions - like train drivers, guards - things you have to be qualified in - and they tend to be the ones who are there three, four, five days a week doing things, whereas corporate volunteers and those from church and community groups, Rotary Club and Lions Club members, and historical societies might come one day a week or once a month; some of them might come only once a year. It depends.

What we have seen is that from volunteering, many people become more involved in the railway. We have people who have been volunteering who come from a church group, or even are corporate volunteers. Corporate volunteering has become quite big now with Telstra and Ford and people like that volunteering on the railway regularly. They have a natural interest in volunteering so we see a lot of people getting involved in the railway who have done volunteering

elsewhere; it might be as simple as community volunteering at the local library or things like scouting.

They don't necessarily come from a railway enthusiast background. When you have a chance to go on bit of a tour, a lot of the volunteers you see today will not be railway enthusiasts. Steve is, and Craig is.

Mr FARRELL - Yes, enthusiastic about railways.

Mr WHELAN - What's happened is there has been generational change. I think what Craig said is spot on. 'Enthusiastic about railways' is pretty much a statement. At a state level in Victoria we receive a lot of in-kind support - that would be the best way to describe it - and as we go through because people understand that it may not cost them dollars, they just need either a little bit of guidance or to tee up the right people to interconnect.

You will see, remembering that this is a full [inaudible], we had to bring in new rails, new sleepers, new ballast; every bridge has to be rebuilt, every building apart from this one has to be rebuilt from the ground up. The costings and everything we are going to talk about today have to be kept in measure because this is effectively a brand-new railway we are building -

Mr ARMSTRONG - So all you had was the corridor, was it?

Mr WHELAN - Yes, effectively that is all we had. The corridor is still owned by the State of Victoria and we are on a community lease. We work effectively and cooperatively with local, state and federal governments to deliver a really positive outcome. As I mentioned in the telephone interview, you can have a tourist and heritage railway in only very few spots. It has to be in an area well suited to tourism. It has to have a rail corridor to begin with. It's better if there is a railway track down. I can say that after the work we have had to do to rebuild the railway. It is fantastic to rebuild the railway intact and inexpensively. You need a core population base. We have seen that in Victoria and now South Australia; they do not have that. Even in Tasmania, the West Coast Wilderness Railway is an amazing tourist venture. They are carrying the same sort of passenger numbers as we are now and we are only running one day a week. They are running multiple days a week and are running a vehicle that can carry a maximum of only 40 people.

Ms HOWLETT - What day of the week do you run?

Mr WHELAN - Sunday.

**Mr ARMSTRONG** - Can you verify that? They are carrying the same number of people you are carrying per week a year. You only run one day a week, and you said you carry only 40 people.

Mr WHELAN - Per train.

I have been lucky enough to a look at the north-east corridor. You have a great population base in Launceston. I am a big fan of Tasmania. I had a long-term relationship with a girl from Tasmania so I know Tasmania really well. I have seen Launceston change. I think in 20 years time it could be a real mecca for tourism, just like Hobart has become. You talk to people in Melbourne now and they go to Hobart. You have one or two really great anchor tourist products

and a whole lot of other stuff springs off them. You get that that multi-mesh mecca we're chasing here.

**Ms HOWLETT -** Do you not have the demand to run an extra day a week?

Mr WHELAN - We have more than that.

Ms HOWLETT - So why are you choosing?

Mr WHELAN - We are not choosing. I will explain it when we go through this profile.

We are focused on rebuilding the railway at the moment. The running of the service is to build our business profile. We are training volunteers and all the people who are operating the railway. Before we started running our service, no-one had experience in running railways. So, we train up all the other railway enthusiasts - our guards, ticket sellers, the people who do the timetabling, the people who look after the statistics and safety and all those other bits and pieces that come along. Our number one priority is to rebuild the railway right now. We were running as often as demand required and had to absorb volunteers into another part. So that is basically what we have done. We will be here for a long time to come

When the Yarra Valley Railway took over the railway it was very overgrown. There were two bits of steel ribbon in the ground - that was it. The steel was deemed pretty much scrap value. It couldn't maintain the services we were looking at. It had been cascaded twice. Cascading means it comes off one corridor to another to another. It was at the end of its life cycle. The whole corridor effectively had to be pulled up and rebuilt.

**Mr DEAN -** How long is it since it was a working railway?

Mr WHELAN - The last train was in 1980.

**Mr ARMSTRONG -** Was that passenger or produce?

Mr WHELAN - Passenger and produce.

**Mr ARMSTRONG -** So it was heavy duty?

Mr WHELAN - No, it's a branch line, so in Victorian terms it was light duty. [Inaudible]

The very first goal, when we bought [inaudible - rail?] in 2010, was to get a train running, so becoming an accredited heavy-run operator with the state regulator at the time. So here's Hiswell [TBC]; here's Yarra Glen - this is about 13 kilometres from Lilydale. Tarrawarra Station, which I mentioned before, is about one-third of the way down, and Tarrawarra Station site is about a third down again. So it breaks up sort of into thirds. So we picked a section of line which took us up through the tunnels to rebuild that section of the railway to heavy rail so that we could put an actual operating train, which was the rail loader that we run today.

It was 100 per cent funded by the membership. We wanted to prove to everyone that this could work, remembering a time when Healesville hadn't seen an operating train effectively in 30-plus years. We went to the state and at the time the state government, with all those sleepers, was letting them go to garden suppliers. It wasn't actually receiving money for them; as part of the

contracts for deals with the contractors that did all the works on railways; they would gain ownership of them and then they would sign off on them for garden suppliers.

It did not cost the state a single cent. We went and got all the sleepers, put them onto the trucks that were donated by local community members and funds; we upskilled various volunteers so that they could drive the trucks and deliver these sleepers to the railway.

Mr ARMSTRONG - So you bought the sleepers? They gave them to you?

Mr WHELAN - Because we have to cover a whole lot of stuff today, I want to start with a picture of what this part of the corridor was like before. Effectively you couldn't see a sleeper. These are the trollies we used to carry the passengers on for the train started to run. Really every sleeper needed to be pulled up and replaced; and various lengths of rail needed to be removed and put back down.

I might have before that all rail needs to be built on rail corridor. This particular section, because we uninstalled one light loader on this section [inaudible], with a light axle load, means that we don't need to replace all rail in this section. This is stage 2. What has happened is that we have become a victim of success because we are running at capacity. Because we are doing so well, we have just received another grant from the state to rebuild this section so we can start carrying 300 or 400 passengers per train.

So 2012, two years after new management [inaudible] came in, the very first regular train service was launched in a bit over 30 years.

**Ms RATTRAY -** The tunnel is always [inaudible].

**Mr WHELAN** - We will get a chance to go through it today. Yes, I think it's relevant today. [inaudible]

What we have today is that we are victim of our own success. We don't really have times. Our business model is sort of self-developed. We don't want to advertise too heavily and disappoint people when we can't actually be on track.

The most recent big operating day was over Easter when we operated on the Friday, Saturday, Sunday and Monday. The trains were at complete capacity and we were leaving people on the platform, and that's not what we want. We don't want kids crying on the platform and sulking if train arrives late. We have never been able to do it.

It's a little bit field of dreams; without being a bit over the top with it, we've experienced 'build and they will come'. Certainly, once we open the whole railway, we will be going to seven days of operation, we will have to start advertising and start filling up on days like this, when it is mid-week.

We have a lot of interest from the international tourist market. All the bus companies - Grey Lines and the ones that operate out of Melbourne that meet the cruise ships and those international tourists - have been talking to us and working out how that can work in their schedule, so we can package up a tour that will add value to other tourist products in the valley.

**Mr ARMSTRONG** - If you do go to seven days per week, would they become paid positions on your train or would it still be volunteers?

**Mr WHELAN** - Certainly, there would be some paid staff, but they would tend to be current departmental people. Drivers, firemen, guards, department and station staff would still be voluntary. It tends to be the support staff, such as workshop and infrastructure, where the paid staff tend to go and we would be suggesting that would be a case -

**Mr ARMSTRONG** - You would not have any trouble getting drivers?

**Mr WHELAN** - No, that is one of the funny things about the railway - everyone wants to drive the train.

Certainly, train and front-of-house staff are not necessarily a problem. It is the harder jobs that require skill, such as diesel mechanics, steamfitters and the trades that need to be qualified. At the moment we rely on voluntary workers and there is a workshop day-to-day -

**Mr ARMSTRONG** - Your drivers have to have certain qualifications. There would not be a shortage of people with qualifications?

**Mr WHELAN** - No. I am a qualified steam fireman and you do this in night school or weekend courses. It is not dissimilar to getting a drivers licence. Most people drive a car without a chauffeur. I am sure you guys don't have chauffeurs; it's only federal politicians -

Mr FARRELL - One heck of a bus driver.

**Mr WHELAN** - We carry between 15 000 and 20 000 passengers a year; it depends how you cut those numbers. We have the regular people who come on normal operating days, but we also hold special events here and charters, and those numbers then get added in.

We are not very big when you compare us to the rest of transport sector in Victoria. We are still considered a very small railway line when we start looking at the other rides and rail lines in Victoria.

**Ms HOWLETT** - What do you envisage it being, as far as passenger numbers?

Mr WHELAN - We have all that stuff, and I will touch on it later. There is a report; if Natasha wants that, I can send through. It was by [inaudible] Chris Darby and [inaudible] Levi. The council wanted to independently make sure that it was supporting something that could really happen. Again it is not very hard in Victoria to make those jumps, because we are [inaudible] partners in this, the same as in the Dandenong Ranges. At the same time 20 years ago people were saying the same sort of thing about Puffing Billy because it was operating three days a week.

This is all about volunteering, guys, so this is all about a fairer outcome across a social divide for the Yarra Valley. We have a very mixed socio-economic population. We have very wealthy people - some of the richest people in Australia live in the Yarra Valley - and we have people who are really poor. The timber industry basically on its hands and knees now, and there is a whole lot of upskilling that could happen. We have been doing this through volunteering, and there have been some really great outcomes for people who have been either unemployed or underemployed and have developed skills that then give them a job in the community, which has been fantastic.

The volunteering is very diverse. We have volunteering at all levels within railways, as you would expect. It is a effectively a business. We have people who don't see the railway at all, they are sitting behind a computer doing paperwork, accounts or safety accreditation, but one of the biggest things we have seen with the railway is community and corporate volunteering - a lot of corporate volunteering, especially from businesses that have an engineering bent. They see it is better to come to a place like the railway where they can, you know, not just paint a picket or mow a lawn, but they can add value back in.

We have seen some pretty big projects done by corporate volunteers, including full re-engineering of bridges and things like that. Within corporate Australia now there is a real corporate responsibility to give back some things that they have been able to gain value from in the economy for Australia.

One of the most surprising things has been how much community volunteering has come in. We are very open about it. I am sure other groups are very protective about volunteering and don't like people just coming in and doing things. The value we have had out of it has been enormous. From that there have been lots of tradesmen and people like that who have been involved in those groups who have said, 'Hey, I will come back and give you free advice just to smash this part out.' We have seen a lot of that. To give you an idea, back in 2007 the volunteer hours were about 3000; we don't have good records but that's what we think they were. By 2011, we were at about 30 000 volunteer hours; in 2018, we were at about 70 000; and this year we are going to go past that again. What has happened is that this is now Australia's largest volunteer infrastructure project anywhere, it is one of the largest in the world, if not possibly the largest in the world. We have no way of fact-checking it.

After we got our operations running in 2012, we got the [inaudible] running; by 2013 we started focusing more on how we were going to rebuild the railway back to Yarra Glen. From where we are up to now, we started working with the council and with the state and federal governments, and that then takes time - I'm sure you guys would understand that. Over the next two to three years we developed a proper business plan and model and an economic development story with support and federal funding to rebuild the railway, what we call stage 1, from Tarrawarra Estate to Yarra Glen.

We were successful and with local government support and federal support, we received about \$3.5 million, of which we have received about \$3 million. There won't be too much on those numbers.

It is not about being a Puffing Billy; it's not about being a tourist destination in itself: it is about being an adjunct, about being part of, the tourism story that will then add value to the other tourist products that are out in the valley. As I mentioned before, the Yarra Valley is renowned for its wine, its rock concerts, its restaurants, fine food and cheese - things like that. There is not really too much for kids.

**Mr DEAN** - On the rebuilding, you said you got funding and support from local, federal and state government. Did you get any support from any of the major businesses in the area? Did they give you any financial support as well?

**Mr WHELAN** - I will touch on all that. All the bridges either burnt down in bushfires in 2010 or were eaten by white ants. The buildings and all structures were effectively ready for

bulldozing. To give you an idea: this is the Maroondah Highway to Thologolong [TBC by speaker]. These are before and after pictures [inaudible].

After we cleared it, we can see the steel rail that was left in place, but effectively every sleeper was like matchwood. Most of the rail had been burnt by bushfires so was structurally unsound or 90 per cent of it was past its serviceable life, which is probably another reason the branch line was shut in 1980.

We also had thousands and thousands of pine trees all lying in one huddle.

[Inaudible] There's no drama there really. But, again, through working with the community, the forestry industry became involved. At no cost, for a number of reasons, they brought in all their harvesting equipment and chopped down thousands and thousands of pine trees. Then they took the logs to be pulped because they weren't for harvesting; they were naturally farmed [inaudible]; they had no value. They donated the money they received from that to the local hospital. That's what we have continually found throughout this. I'd like to talk about the way business organisations interact with the railway - it is huge.

Although we didn't get commercial costing, the commercial cost would have easily been over a \$1 million. I know the diesel cost alone was about \$100 000.

Mr DEAN - And they donated it back to the hospital?

Mr WHELAN - The pulping - yeah, the costs were donated to the hospital.

That is where you see a community can deliver a result. If its community-driven, not state government-driven, not local council-driven, but where it's people within the community, always some people want to help.

If it was a state or local government project, you would have to pay contractors. Everyone is getting money out of it, no problem. But when it is all volunteering and people aren't receiving any monetary value, the goodness in people's hearts really comes through. That is the same for both businesses and corporate as well.

So, that's what we ended up with - a clean corridor. We didn't go around chopping down gumtrees. It was all legally tested stuff and was cleared through council offices. They decided what species of trees we needed to keep, and we should keep - we even kept a pine or two; there are certain areas of the railway that still have beautiful gumtrees that appear off [inaudible] the rail corridor.

We then went through the whole process. We have lots and lots of bridges on that section of line. There were 15 bridges just in the section of railway alone - not in the railway, just in that section we're talking about - that required reconstruction. We have done a report card so both government and our membership know exactly where we're up to. But that meant that with volunteers we were going to start [inaudible] construction.

With the help of donated equipment - all the equipment you can see, apart from the concrete trucks that came from Boral, was donated. Every person you see in the photo, apart from the Boral truck drivers, are volunteers, most of them with no construction or engineering experience at all, and they were able to rebuild 15 bridges from the ground up.

On most of the railway, the bridges are built on the floodplain, so we would be been locked out for six months of the year over winter. So we ended up teaching individual volunteers to become experts in one area of bridge construction. We had guys working in their back sheds firing up reinforcement cages [inaudible] and then they'd come down to our workshops and put them all together. It was a bit like a [inaudible] construction. We made all the bridges from four parts [inaudible] so that people just became an expert in putting that one bit of formwork together. Once they had learned that, they could then do the next 15 bridges.

**Mr DEAN** - What part did the regulator play in this, Brett, in getting the clearances, the engineering structures done and so on? How did that occur?

Mr WHELAN - It is not dissimilar from building a house: you go through the planning process, you go through the structural engineering process, you get your drawings and get signed off by the regulator, which is the council most of the time when building a house. You end up then being able to build it and you have the independent engineering done. We have three levels of sign-off. We have our internal sign-off, which is by the project manager, the way and works manager, and our own structural civil engineer; they sign off and then you have an independent railway engineer, which is a voluntary position too. There might be one from the railway and they sign off. With that sign-off we go to the regulator. It is like doing your tax: you self-regulate your tax. We regulate ourselves, but then the overview comes in from the regulator.

Mr FARRELL - It just seems at the moment we are in a position where the regulators come in at the wrong end of the process. The regulator seems to be the one saying this has to happen and this has to happen, rather than coming along at the end of the process saying you have done this correctly. Has that been your experience with what you have done here?

Mr WHELAN - I am happy to talk about the regulator all day; I have no personal interaction with the managers and so forth that do it. We have effectively rebuilt the railway by having maybe six or seven meetings with the regulator, sending them all the plans and showing them all the engineering, showing them pictures and then they are coming out infrequently out to the railways to have a look at the way it is.

There is a chain of command that is followed and that applies to the regulator too, but it is 100 per cent voluntary so there is no cost. The only part that has outside assistance is the regulator when the regulator becomes involved. Obviously, because we are on state-owned land, the state is involved in the documentation, but they don't get involved in it too much. They did at the very start when we were telling them what we were doing because they were a bit down in costings too.

It is just bridge after bridge and bridge. You guys can come along and see that. These were a lot of reasons why they told us we couldn't do it - 'Volunteers can't do this.' Just through a 'can do' mentality; where there is a will, there is a way - we have come up with a simple process of dividing out the tasks and saying, 'Right, you do this and you do that'.

There were some areas where we needed to get outside contracting in, things like heavy cranes and so forth, but even there, Associated Cranes, which we use and promote now, gives us effectively 30 per cent off its standard rates. I know what its standard rates are because I have just used it recently for myself.

All the structure, anything there to be seen, is built by volunteers.

Let's go back one step. This bridge is a little bit unusual and it was mentioned before how the state has helped out. Before the grant we are about to receive for stage 2, which I'll get onto later, for stage 1, the state was happy to help us out with materials. Now this bridge is an old railway bridge that they pulled down to rebuild for heavier axle loads so that freight trains could run over it. We said, 'Hang on, we can use those bridges', so we went out and re-engineered them. The state said, 'If you want them, you can have them', so we just turned up onsite at the right time, and they put them on the truck, otherwise they were going to get scrapped. In some ways it was almost an environmental reuse program in an infrastructure sense that's ever been done. We have recently signed a deal with a ballast supplier and for the first time in Australia they will supply recycled ballast. It is quite a time if you are into that sort of thing.

There were some old timber trestle bridges that we worked in with some of the big tourist destinations. This is volunteers [inaudible] in the state. When we came to running seven days a week, they are concerned we were rostering too often [inaudible]. It would be nice to be run with union funds, so we needed to look at a better option for their patrons to get under the bridge. With the help of Zonzo's, which provided some financial input, - the railway and the state also put in a little bit of money towards this, because it saw the sense in removing the level crossing - we built an underpass so their patrons can access it. [Inaudible] sometimes, I wonder whether we should be a sailing club.

Yarra Valley Station is the only structure on the railway that we are not have to rebuild from the ground up. This will show you the level of reconstruction at Yarra Glen Railway Station. It is a similar size to this, it's heritage-listed and it is the centrepiece as you come into Yarra Glen. It is the first thing you see on the left as you come into the Yarra Glen.

The building was unfortunately damaged in bushfires but also had fire and termite damage. We started reconstruction about seven years ago with [inaudible; music in background wiping sound] engineers, conservation architects and various businesses. All timber was donated by the local timber industry; local hardware shops donated all Dulux paint; [inaudible] provided the roofing material. This is really interesting - these businesses do not always have many options to give back to the community. What we've found is that if you go and talk to them, and explain your story, it is just like, 'Well, what can we do to help?' We have just started reconditioning the brick water tower and Dulux once again has come on board and said, 'What can we do to help?' It is fantastic.

# Mr ARMSTRONG - You have built that to its original -

**Mr WHELAN** - Absolutely. It has a Heritage Victoria overlay order over it [inaudible due to music]. They have met all these [inaudible] which all had to be built to the exact specifications of the old ones. Again, [inaudible] it was all part of the cost. The commercial value of this rebuild is \$5 million. Through volunteering and community goodwill, the total cost is about \$150 000. We just have to put the lights up and the station, as you will see later today, is fully completed.

**STEVE** - That is a different group of volunteers down there to the volunteers up here, not necessarily interested in trains, but interested in restoration.

Ms RATTRAY - And can use a paintbrush.

Mr WHELAN - The next thing we have to do is pull up every part of the old rail, as I said before, because every part of the railway requires rebuilding. The building we're sitting in is the only thing we do not have to touch. This is a woolshed, one of the oldest structures in Healesville. It was built when the railway first came here. Again, it is a heritage overlay those things that can be quite difficult because lots of things have heritage overlays, and this was fully rebuilt. It was lifted off its footings with cranes, completely as a structure, bogged out by its sides so we could rebuild all the footings, because the actual structure had to stay intact, and was fully rebuilt. What we have now created is an amazing space that is now being booked out for parties, weddings, all sorts of things, and effectively has become a community space in some ways because we provide it at no cost to community groups, and now there are community groups that are having their weekly meetings and things like that in the building.

# Mr DEAN - So where is that?

Mr WHELAN - Right here; it is just literally the next building across. Earlier I mentioned the state government and how it has provided material support. Again, it has not cost the state a single cent. As I am sure as most of you know, Victoria has a very large metropolitan rail network and also country train/passenger network. The current state government has been removing level crossings right throughout Victoria, but throughout Melbourne mostly and some for country Victoria. There is a big sky rail project, which is Caulfield to Dandenong, which involves removing the railway and elevating them. That allowed there to be a whole lot of heavy rail that the railway has donated. It is still state assets, so it's probably not donated. Probably a better way to say it is that it has been relocated - it's like a material relocation.

That is what has happened. What you can see [inaudible] ... we relocated, I don't know, about 40 kilometres of rail, again with volunteers. There has been a very small input of local contractors to do some of the more specialised angling that we did not volunteers to be involved with due to a lack of experience. But 99.5 per cent has been done by volunteers. That has been a massive allocation, running round the clock for 24 hours a day, with multiple trucks, with heavy equipment loading and unloading. When we go to the Tarrawarra site, you will a lot of this material. The scope and breadth of it are really quite large.

These all have to come in on special permit trucks and so forth. I mentioned ballast before. We talk about the money the railway has received. Nearly all of it has gone into material, relocating the rail and ballast. Presently we have about 10 000 tons of ballast at the Tarrawarra site.

**Mr FARRELL** - Brett, it is probably important to point out the difference in the rail gauge here. Your rail gauge is five foot three inches, where the north-east line is three foot six inches. So, when you are talking about materials, everything here is that much bigger. Sleepers are that much bigger, the amount of ballast needed is basically two foot more per section.

**Mr WHELAN** - Even more, Craig, because we are building the railway back to heavy rails, running the heaviest locomotives, not a branch line. We are running 22-ton axle-load [inaudible] ... so [inaudible] state rail system does.

Mr FARRELL - Yes, Brett, I think it is important to cover that because they talk about heavy freight standards on the north-east line. Your volunteer group is building to a higher standard, at a higher cost.

**Mr WHEELAN** - The reason is that the steam locomotives we are going to be running here are about twice the size of your locomotives. Their axle-loads are comparative to that sizing.

It is not just about rebuilding the rail corridor. This is a fairly big thing. We don't talk about this overly, but I think it is important to explain to you what we are actually doing. Because we are a segregated branch line and because of our success, we really want to get builders looking at buying a railmotor, now regarded as heavy rail, to take on passengers. We are going for [inaudible] we are just running on weekends rather than seven days a week.

This is all over and above when the board first joined the railway. It was nice to have as a part of the community project but we don't go big into tourism; we were thinking we may run Saturdays and Sundays. What we are seeing from the success of the railway is that we now need to be thinking more like full-on business, and with that full-on business you need the infrastructure and support to look after it.

We have created a massive yard at Tarrawarra; we will be moving a lot of the facilities to Tarrawarra. So Yarra Glen and Healesville, and Christine and the shed that you see out there will all be moved. This is part of stage 2 that we have started right now because works was in reconstruction stage 1. That photo really doesn't explain to you what we have done, but I'll go through a time lapse. I want to show you before and after: this is before; this is the construction that has just started. There is the old rail corridor running through; you can see the fence line over here, running up there; this is all grassy area and there is a hill here. We've already started the worst. This is all up on the embankment. If you have a look at this one, which is a photo taken a couple of days ago, there is the fence line, that whole hill has been removed and that has been closed in here, and the main line is running up through there and this has all been built.

This is a civil project that is very large. It has involved the relocation of thousands of truckloads of soil, thousands and thousands of hours of machine time. To give you a better understanding of that, and what I am really trying to explain here is that if a community really wants something to happen, it can make it happen. It doesn't need too much outside assistance except for a little bit of funding. This is a time lapse shot of that site that gives you a better understanding. What you are seeing here is donated equipment, with one paid staff who is looking after all the safety and the equipment, making sure it is all being greased and operated properly, and about 10 volunteers a day moving mountains.

Mr ARMSTRONG - Why was that actually done? To make a site where you could -

**Mr WHELAN** - We are a victim of our own success, as I mentioned before. We need to have a site where we can put trainyards in so we can put carriages and so on.

**Mr ARMSTRONG** - So it'll be your main workshop area and everything?

**Mr WHELAN** - Yes. We will go there today and have a look so you will have an understanding. It is a bit hard to understand without a little bit of background.

Ms RATTRAY - Where did all the dirt go to?

**STEVE** - The greatest distance to carry the dirt was probably 150 metres.

**Mr WHELAN** - We were using a couple of old trucks to move it. You don't have a lot to choose from, but it works, and with the support of the volunteer mechanics that we have -

Ms RATTRAY - To keep the trucks going?

**Mr WHELAN** - Yes, to keep things going; it is a bit hard to see that. You can see all the planes out here; you can see how old it is. It is about a 12-month job in the end. It's one paid contractor and the rest are volunteers and donated equipment.

Mr ARMSTRONG - You couldn't build roads that quickly.

**Mr WHELAN** - The financial costs that were involved, we give them about 6 per cent of those [inaudible].

If everything was estimated on a commercial cost, nothing would be done in a voluntary sense and Australia would be the poorer for it [inaudible].

We actually have a fair few quarries around us. Their management has started coming down because they had heard about us and they were fascinated. We actually got support from them. They started bringing truckloads of rock for us so when it rains, we aren't sitting around [inaudible].

From here to here is a half a kilometre of rock by about 150 metres wide. Everyone wants to refer to things as MCGs, there is a couple of MCGs there.

The nuts and bolts: when we are talking about from where we are here to Yarra Glen, that is about 9 kilometres.

The state government's [inaudible] for stage 1. They told us it would cost between approximately \$20 and \$28. We had lots of people telling us how it could not be done, how they'd give us all the support in the world, verbally, but this is just crazy.

What we are doing it for is between 70 and 80 per cent completed, and the cost is going to be exceeded; to complete that section is \$4 million.

This is all real. We only got given that amount of money [inaudible]. There is no smoke and mirrors in this; it is just how things work.

I can tell you what, if Puffing Billy [inaudible], it would be the same way. Puffing Billy has only become a success because of the volunteers' work. At the time it was the Victorian Railways, the work was owned by Victorian Railways, they had all the same sort of problems - it couldn't be done; it's too big; volunteers can't be involved because they haven't got the engineering expertise or they don't understand railways, and so on.

Ms HOWLETT - How do you get around the legalities of that with volunteers?

**Mr WHELAN** - What was that?

**Ms HOWLETT** - What about the legalities as far as volunteers working on projects and the legal issues?

**Mr WHELAN** - Give me an example of the kinds of issues.

**Ms HOWLETT** - Say, an engineering issue. For example, someone who is not an engineer fixing a bridge, or does not have the correct qualifications in order to do so.

**Mr WHELAN** - As I said at the start, we have a sign-off process. We have engineers who volunteer within the railway. A structured sign-off process is involved, what we call an SMS, which is what the regulator requires. That is all done by volunteers.

**STEVE** - From our point of view, where the volunteers work on rebuilding the bridges, we had a piece of paper given to us with numbers and lines and everything like that on it. One of us was [inaudible] it - and don't look at me - to understand what that was. We just did what it said. 'Put this here; put a piece of metal there; pour concrete over the top.' Then it was signed ... by more clever people.

There is full sign-off process. A number of people involved in the project are volunteers. One thing about railways projects is that engineers tend to gravitate towards railways. Nearly 90 per cent of this side of the process is civil, structural or electrical. Two of our board members: Patch is an electrical engineer and Chris is a civil engineer.

Ms HOWLETT - So you've had no issues?

**Mr WHELAN** - No, I don't think any railway has. There are 20 staff. They are all going through the same processes we do.

**Mr DEAN** - You're probably aware that in the north-east line there is a division between those who don't want a rail trail and those who say no to a heritage rail and so on. Was the feeling in this area when this project started strong that you felt you couldn't to do it? You couldn't do it. Did you have any group with that view, that position, that you had to convince or fight with, in fact?

Mr WHELAN - There are always going to be naysayers [inaudible]. There are always people ready to cut down an idea. The one thing we totally encourage is working with all groups. We have a healthy relationship with Road Rails Australia. We have just recently agreed - and we don't have rights over it actually which shows you how hard everything [inaudible] works - is the Lilydale to Yarra Glen corridor. We run to Yarra Glen. The line used to run to Lilydale, then up the main line. We have just agreed with council and state government that the bike trail could be located on top of [inaudible]. We are not using it at the moment. The railway infrastructure is buggered. It's just like the rest of the line. All the tracks and bridges are stuffed. We might get back there. Part of the agreement is, again, we have no control, we don't even have a lease over that land where we can say 'This land is under our control [inaudible]'.

Part of the working together nature of the state, the council and the bike line was that when the railway is ready to be [inaudible], the bike path will be relocated off the top of the formation. The train will go through because, as I said before, the railway can only be built in very few locations.

**Mr ARMSTRONG** - So there was never any talk about this section of rail that you are doing now, going into a rail trail project or anything?

**Mr WHELAN** - No, we're happy with rail trails, to see if they can put a rail trail corridor to work in with the railway.

I have travelled around the world quite a lot. There are plenty of good examples in North America and right through Europe - France, Germany, England - and New Zealand where bike paths come in and interconnect with the tourist heritage railway and bike trails.

That is one of the things we are [inaudible] doing here - each train will have a carriage fitted out with bike racks. In Victoria, we have a lot of trails. You only have to travel half an hour from my place and you hit a bike trail. That's great. I've got primary school aged children. They don't want to go on a bike trail. I can tell you that after about 5 or 6 kilometres, especially if there is a hill involved, my daughter wants to know when her ice cream is coming.

The great thing about the railway interconnecting and working with the bike trail - I have a masterplan that I will show you in a minute; we have been working with council and the bike lobby to work in with the station - kids and families, because bike trailers, in my overall experience locally, are [inaudible]-orientated riders. The Warburton Highway is a classic example where you have a world class bike trail running on the old Warburton rock formation. The lycra bike riders will not be on there, they are still on the highway riding their bikes, and mums and dads with little kids on the trails. It is a particular market they are going for and that market works in really well with the tourist and heritage railway.

**CHAIR** - It is currently 70 per cent completed. How much track have you completed so far? Is it 4 kilometres?

Mr WHELAN - Sorry -

**CHAIR** - Currently the train you have at the moment is 70 per cent completed.

Mr WHELAN - [Inaudible].

**CHAIR -** No, the whole lot. So far with the train you've got at the moment.

**Mr WHELAN** - The train at the moment runs on the old track that we restored about 10 years ago. That is 4 kilometres.

Mr ARMSTRONG - What is the total to Yarra Glen?

Mr WHELAN - Thirteen. What you are looking at is here is about three major reconstruction projects. In the last nine years the board has been replaced; the railway has gone from being a railway in name only to becoming an accredited railway operator; to rebuilding 4

kilometres of track. It is temporary and all going to be pulled up, it's all being removed and every bridge has to be rebuilt because that was just put together with no funding.

**CHAIR** - What has actually been completed? You say you have 70 per cent completed, so what is that?

Mr WHELAN - I'll go back to the start.

CHAIR - You don't have to go back to the start, just -

**Mr WHELAN** - I need to show you that. This is the current operational section, it is the 4 kilometres rebuilt about 10 years ago. This is what you are going to roll on now.

**Mr ARMSTRONG** - And that has to be all rebuilt again later?

**Mr WHELAN** - Yes, that's stage 2. Again, we are victims of our own success. We've gone from thinking about what our journey was going to be, railmotors, and now we are at capacity [in terms of] carrying capacity - the passenger numbers we're getting on the rail.

Stage 1 was just to rebuild [inaudible] Yarra Glen to Healesville, so it was three towns through which the tourist rail was running. This is 70 per cent completed. It was over the last four years, so over the last four years - we're not talking 10 years or nine years; it's four to five years, I'd say -we've rebuilt 15 rail areas, we've removed all the formation of rail; we've cleaned the formation, which we're seeing in the photos, of trees coming -

CHAIR - Yes, yes.

**Mr WHELAN** - We've rebuilt Yarra Glen Railway Station. We have created the massive hard stand [inaudible] at Tarrawarra; we've rebuilt the railway platform at Tarrawarra. Now the last thing we have to do is actually put the track down, so it is easy.

**CHAIR** - So we've got the figures? Go back to the other slide you had, the last one, the one with 70 per cent and the costings. The total cash estimate to complete - is that for the next 30 per cent or for the whole lot?

**Mr WHELAN** - No, 100 per cent. It's fairly complex, but we are talking about three separate budgets involved. We're talking about the rebuilding of the 4 kilometres of rail, which was done to get this thing running [inaudible]. Then we're talking about stages 1 and 2, which is for this to be running in the same capacity as what we are talking about [inaudible].

You are talking about all in Victoria - you guys follow Australian Rules - you're talking about the little junior football club that's started playing in a paddock moving to the MCG.

**Mr ARMSTRONG** - What is your time frame for completion of build?

Mr WHELAN - Stage 1 is completed within the next 18 months; stage 2 is state government-funded, and we hope we receive it. The election was only in November, so we are still working it through it. As soon as that funding is received, it will be three years after that funding is received that stage 2 will be completed.

When stage 1 is completed, even though the railway will be rebuilt to heavy standards over stage 1, it will still be operating on this section of the track, which means it will still be running this vehicle over the whole section.

When we go to stage 2 completed, we will be running heavy rail from Tarrawarra yard, which we have just looked at, fully completed, so we can put in four trains of heritage rolling stock.

Mr ARMSTRONG - That will be from Yarra Glen to here?

**Mr WHELAN** - That's correct, which is 13 kilometres. Stage 2, all of the volunteers have been - people - have been asking where the tracks going to come from to run this branch service? That is not a problem, that is actually being rebuilt; even though we can't run them as yet, we have rebuilt all the rolling stock.

**Mr ARMSTRONG** - All your rolling stock - is that the original trains that were on this rail or did you bring it in?

**Mr WHELAN** - It was from the state system. They would leave from Melbourne and go all over the place, but they're all heritage rolling stock.

**Mr ARMSTRONG** - You've already secured those and they're being repaired now?

**Mr WHELAN** - Yes, if we have time, we'll go and have a look at them in the workshop.

**STEVE** - They are fully restored and they are here.

Mr ARMSTRONG - The one that you are using now, the rail car - is that what you call it?

Mr WHELAN - Yes.

Mr ARMSTRONG - Will you use that at all when you go back to the other train? You will still use that?

**Mr WHELAN** - Yes, because we have charters and so forth that might only have 12 people, it's a business model so that's the lowest cost option instead of running the full train.

Mr ARMSTRONG - What do you charge now for your short ride?

STEVE - It's \$18 for adults, \$16 for a concession, \$12 for children and \$10 for a member.

**Mr ARMSTRONG** - When you complete the whole railway, the 13 kilometres, on the big train, have you set a cost for that yet?

Mr WHELAN - It will depend on when it's finished because of inflation.

Mr ARMSTRONG - Do you have a ballpark figure?

**Mr WHELAN** - Yes, it's going to be probably about \$35 for an adult. Puffing Billy now is about \$60, so we're looking about half that price.

Mr ARMSTRONG - That is a return trip. How long would that return trip take?

Mr WHELAN - What we would be encouraging is that people get off the train and visit not just the towns, but various destinations along the railway. We're not going to fix them that they have to come back on the next train or whatever. The travel time on the train, the line is going to be rebuilt to be able to run at 80 kilometres per hour, but we won't run a tourist service at 80 kilometres per hour. People can do that in a car. We will be doing it at a much slower place. It's about a 35- to 40-minute journey between Healesville and Yarra Glen by the time you stand on the platform, get on the train and get off at Yarra Glen.

**Mr ARMSTRONG** - It is an hour and a quarter if you did a return.

Mr WHELAN - Yes, approximately. We have rebuilt a lot of the rolling stock that is required. We've included one of these maps just so you get a better understanding of what is around us. That's Healesville and that's Yarra Glen. We have a couple of big tourist destinations that are on the rail or just off the rail corridor on the way. Tarrawarra Estate is the largest, and Zonzo Estate just out of Yarra Glen, and then around the greater valley there are a number of different specialised tourism things - things like bakeries [inaudible] and wineries, a chocolate factory and so forth. The whole railway has a masterplan, so everybody can understand what we are doing and that includes the state and the local council. Caroline Stokes has a good understanding. Shedding - because we are going full scale, we have to have sheds 400 metres long and 300 meters wide to fit full train sets in, because we are going from this to that. They are not the most beautiful things in the world, so we put them out of sight, out of the way, and there isn't any visual distraction from them.

Yarra Valley - we had a bit of a chat before about how the bike trails interconnect with the railway, and we are in discussion at the moment on this. This is the masterplan for [inaudible], which we will visit later on. We are looking at how a tourism heritage railway will interconnect with a bike trail. A fantastic collaborative approach has taken place where we, the council and the bike trail have a chance to make it work right the first time. This is going to be the route of the bike trail from [inaudible] I was talking about before. It will come into Yarra Glen and connect back with existing path networks.

We are master planning how we can have a carpark for people coming to the railway and also for the bike paths, with bus parking here and viewing platforms back over the railway, somewhere where little kids with their families or people who are interested to look over the railway, because this is all being elevated.

The turntable has been specially placed in a location close to the centre so it can be built into a really nice spot for people to visualise and see how the railway works. In a lot of ways, you are seeing the work of heritage. I can give you a copy; just let me know.

**CHAIR** - So the local council is obviously quite involved in all the works?

Mr WHELAN - Yes, but not involved with the works, but involved in making sure everybody understands the importance of each other, so not one group is dominating another.

Remember this group welcomed the rail trial onto the [inaudible] and they need to work in with an operator railway, so everybody is respectful.

**CHAIR** - Is the council providing any in-kind support, looking at parks with bits and trees?

**Mr WHELAN** - We haven't reached that stage yet. We will talk to them about.

**CHAIR** - There is a fair cost to it, obviously.

Mr WHELAN - Yes, but they need somewhere for people to ride bikes to park, have toilets and all those sorts of things. When building a tourist product, people forget about all that. They think about one part and say the cost is that, but in fact, it is not. Ongoing maintenance for all is a high cost for the ratepayers of Yarra Glen. We are happy to pay, but it always needs to be considered.

**CHAIR** - Have you a costing for any of this, because it obviously isn't included in stage 1?

Mr WHELAN - That is for the bike trial.

CHAIR - I wasn't sure if you were involved in both; you did mention that -

**Mr WHELAN** - No, we are working with them. The bike trial has a website. I think [inaudible] a bike trial; I think it was about \$20 million [inaudible].

**CHAIR** - Is that from the state?

Mr WHELAN - State and federal.

**Mr DEAN** - You would be aware of the north-east rail, because there is a very strong position with the main council involved, that they have the one position they are supporting, and that is the rail trail rather than heritage rail. This is one of the problems we are confronting with the north-east trail.

**Mr WHELAN** - Yes, I do not understand one position on anything.

Mr DEAN - Neither do I.

**CHAIR** - I am keeping an open mind.

Mr ARMSTRONG - We all are.

Mr DEAN - Trying.

**Mr WHELAN** - When it comes to anything involved with business and tourism, as part of business is that you need to keep an open mind -

**CHAIR** - There is more information coming all the time.

Mr ARMSTRONG - That is why we are here.

Mr WHELAN - To give you a better understanding, someone mentioned before about engineering and so forth: these are all the businesses and government departments who have come on board for the engineering that have provided all their works at no cost. All pro bono every engineering drawing, all bits and pieces - have all been done. There is quite a number of large companies and government departments.

Stage 2 costings are very similar to stage 1, but now the state government does not want to be involved in the costings. [Inaudible] isn't right. We had some comments earlier about what is going to happen with the railway once it is fully completed. The independent report is that we will be carrying 250 000 passengers a year. This is the reason this structure has to be built to such a high level. This would generate 136 jobs in the wider community and inject around \$30 million into [inaudible], so it's good future stuff and it's come from that report there.

Importantly, the broad sector in Victoria [inaudible] is that there are over 20 operators in the state. Most are completely voluntary, some have paid staff, and in the last 12 months about a million passengers in the sector overall.

Mr ARMSTRONG - What you are doing now with insurance, the cost now and when completed?

Mr WHELAN - Did you send the insurance information?

**CHAIR** - We received those figures. It was about \$9000. Between \$7000 and \$9000.

**Mr WHELAN** - That is what we are paying at the moment [inaudible], but it is all scalable. It is not when we're carrying 250 000 that it's going to be [inaudible].

Mr ARMSTRONG - I just thought the link because your longer rail -

Mr WHELAN - There will be more. There is no doubt it will be more.

Mr ARMSTRONG - More risk, yes.

**Mr WHELAN** - It is a business with risk.

Mr ARMSTRONG - And the difference to the railcar to the train?

**Mr WHELAN** - No, I don't think that will change. If anything, the train, because it is bigger, will be less likely to cause any problems.

Mr ARMSTRONG - That was what I was curious about.

**Mr WHELAN** - There are a couple of things there, I guess - in Victoria we have to pay that probably you guys don't to in Tasmania, we've got to pay tax for safety -

**Mr ARMSTRONG** - Don't give them the idea.

**Mr WHELAN** - With car registration you need to pay third party insurance to a third party. In New South Wales ,you pay the insurer.

Because we have road crossings, we pay extra. We pay a very small amount for a passenger who goes back to [inaudible]. That is another insurance we pay.

**Mr ARMSTRONG** - On your road crossings, what sort of infrastructure do you have to have? Is it bells and whistles?

**Mr WHELAN** - It depends. Today, you will experience all three types of crossings we have - where we've just got bells here on our operating line; Yarra Glen, because it is part of this stage, has been built with four level crossings because of the number of the trains we run, and their size and the fact it is high over a major highway that sees thousands of B-doubles and cars a year. On most highways, like we have here, it is just flashing lights; then secondary roads just have cross bars, for what we call passive crossing.

**Mr ARMSTRONG** - The train will be steam today?

Mr WHELAN - Steam, yes and diesel haul.

Mr ARMSTRONG - Steam and diesel?

**Mr WHELAN** - Yes. Because we are in a bushfire zone, it will be unlikely to run on steam during days of bushfire danger.

**Mr ARMSTRONG** - So they can do both?

Mr WHELAN - Yes. It is just the way they run along the trail.

**Mr ARMSTRONG** - How many crossings would you have total? Just a ballpark.

**Mr WHELAN** - [Inaudible] crossings, maybe 12.

Mr ARMSTRONG - It was one of the things raised by the rail track people.

**Ms HOWLETT -** Was north-east line steam and diesel or only diesel?

**Mr FARRELL** - Initially they were proposing railcar and then they'll look at other options available for other users, I imagine. In the immediate future, they are only looking at railcar.

**Mr WHELAN** - There are plenty of railways around Australia and around the world that just operate railcars because they are cheap, efficient and do not take much room for storage. They are easy to work on. That is why most small operations operate them. As I said before, success tends to bring its own issues and why if the venture is successful, you will outweigh that.

The great thing about that is they run off the smell of an oily rag. Your track work standards can be a lot less and is one of the things we are trying to impress is the three-stage process [inaudible]. When you look at the travel log today, you will see how that happens - they are rocking and rolling all over the place and that is fine for what the business is now. It doesn't need

every sleeper to be perfect. It doesn't need every piece of rail. You actually want it to be compared to a freight train [inaudible] and our track standards are quite appropriate.

The amount of maintenance is appropriate to that. It doesn't mean it is unsafe. Quite the opposite. It means it is absolutely safe for that.

Mr FARRELL - Brett, part of the issue in Tasmania isn't is that isn't properly being communicated through the office of the rail regulator and others - that there are horses for courses. It does not have to be quoted up to replace it for heavy freight use and rebuild all the bridges.

**Mr WHELAN** - That is what we are seeing, where I have mentioned before about the junior league playing on the paddock is the same as the MCG. That is our choice. We could be running successfully, but I have always been an over-achiever in certain areas so I wanted to see it be the best it can be. That sort of world class where you tick every box is what we are striving for.

**Mr DEAN** - You have been talking about 20 operators, are these 20 operators of heritage rail? You said you would have the opportunity to have a look at some of the north-east rail, how much have you looked at?

**Mr WHELAN** - Quite a bit. I saw it when it was an operating railway.

**Mr DEAN** - How do you see the infrastructure of that rail compared with what you had here?

Mr WHELAN - It is hard to compare them.

**CHAIR** - It burnt away.

Mr WHELAN - This would be totally unfair to compare us with that. I bushwalk and sometimes when out bushwalking and while walking along, I will run, much to my wife's distress. She likes bushwalking Sunday. I have walked some of it, especially up through the tunnel and up around that way. Without sounding too silly, I am sure most of our membership would too - it would be so much easier to replace a few sleepers. Replacing sleepers is not that hard. We have replaced most of the sleepers, that were thousands of sleepers in the 4 kilometres. With second-hand sleepers, we did that in under two years and installed the railway and became accredited. We had some crossing issues sorted out, train drivers and [inaudible]. Railways are designed so sleepers can be replaced easily or else they'd be in all sorts of trouble.

Mr DEAN - Thank you.

**Mr WHELAN** - The really important thing is here in Victoria is that [inaudible] I know the west coast business railways [inaudible] but none require long-term operational funding, so all are self-funded. Every single one is absolutely self-funded. Our experience, with regards this operation running over a short section of track, is that we have enough money to put into the restoration of [inaudible]. That is a really important step for us.

The passenger profile is revealing [inaudible]. One of the surprising things for me to be involved with tourist and heritage rail is the diversity of the tourism that comes to the railways. We see people in wheelchairs, people with carers, the youngest of people in our community,

people from all different nationalities. It has been really surprising to see. A biggest part of that driver [inaudible] - I remember having a chat with Raelene two years ago and the figure was 800 000 in the sector. So, in the last two years it has grown 200 000 and probably 50 per cent of that growth is the Chinese tourism experience. It is interesting to look at that. A busload of Chinese tourists came to the railway a couple of years ago - well others since - and the tour operator - we had plans for the bike trail was going to go. I said, 'What do you think of it?'; he said, 'Well, we don't see any of these guys on a bike.' [Inaudible]. I thought that was interesting.

CHAIR - Thank you very much. It was very interesting.

THE WITNESS WITHDREW.