

Government Administration Committee 'B' Inquiry into Tasmania's North-East Railway Corridor

Submission from Tourism Northern Tasmania Incorporated

Introduction & Background

Tourism Northern Tasmania incorporated (TNT) is the regional tourism organisation for the North. TNT is tasked with growing the social and economic returns from the visitor economy to the communities in Northern Tasmania.

Since late 2013 TNT has supported the repurposing of the non-operational North East rail corridor into a recreational cycling trail, commonly called a 'rail trail', to generate economic and social/health returns to the communities of the North East. Tis initial support was on the basis of successful conversions of disused rail corridors into Rail Trail's across Australia and New Zealand.

At that time no viable alternate use of the corridor was forthcoming from any community group. However, the earliest support for the rail trail was published in the Northern Tasmania Regional Recreation Trails Strategy (2004) and again review by the Department of Sports and Recreation in 2011 'North East Rail Trail, Site Plan.'

This early evidenced potential was supported a feasibility study for the North East Rail Trail, authored by Northern Tasmania Development, 'North East Rail Trail Preliminary Demand and Economic Benefit Assessment', (February 2014) which reaffirmed TNT's support through the forecasted economic returns predicted across a five year horizon.

The 'Investing in our Tourism Future' report, May 2016, commissioned by TNT to assess visitor infrastructure and private sector development opportunities across the region reaffirmed the original economic forecasts (job generation and direct economic return from visitors) stated in the NTD report.

In the middle of 2016, when the issue of corridor management was being debated by State Government, the first argument for a heritage railway was proposed by a small vocal community group, the now North East Residents and Farmers association, who had until then objected to the rail trail project on other grounds.

The Rail Trail project by this time had secured grant funding to undertake its construction. This funding was secured via the 'National Stronger Regions Fund', a competitive federal funding program, that required water-tight evidence that investing in the endeavour would generate viable returns to the community.

What has been published by the Launceston and North East Railway (L&NER) group since late 2016, in various formats is a series of conflicting reports from varying sources which have confused the debate regarding the viability for the North East Railway idea.

During this time the North East Rail Trail association, through open and honest dialogue with the community and Dorset Council has expand its original purpose of being a cycling only trail to include walking and horse riding. This was reflected in the renaming of the project to the 'North East Recreational trail' (NERT).

The Treasury department in late 2017 sought to substantiate claims made by competing groups for, or against, either the North East Recreational Trail and/or the North East Railway idea. The resulting report "Tasmania's North-East Rail Corridor Assessment of the Launceston and North-East Railway and the Rail Trail Proposals, July 2018" clearly evidenced the viability of each competing use for the corridor, but clearly detailed substantial errors in assumptions made by the community group prosecuting for the North East Railway to operate as far as Scottsdale.

The State Government's proposal that followed provided a solution, which allows for future expansion of both concepts, especially the Launceston & North East Railway if the operating entity was able to evidence its claims through operating a safe and financially stable enterprise.

TNT fully supports the State Government's position on this matter.

The below submission responds to the four areas set out by the Legislative Committee for consideration. The positions cited are based on evidence and experience from the following:

- 1. The Treasury's report 'North-East Rail Corridor Assessment' of competing claims
- 2. My 23 years of experience working across multiple facets of the tourism and travel industries in both Australia and New Zealand, and
- 3. My personal experience in marketing heritage and tourism passenger railways in New Zealand:
 - a. Taieri Gorge Railway, Dunedin New Zealand as Marketing Manager Known today as Dunedin Railways, Taieri Gorge Railway is a heritage railway that connects to the Central Otago Rail Trail. The author has experience in developing both to work in harmony to the benefit of regional communities
 - b. Tranz Rail, Wellington New Zealand as International Sales manager Known today as KiwiRail, the passenger group of Tranz Rail at the time operated services such as the World famous TranzAlpine, the heritage steam train the Kingston Flyer (no longer operating) and railcar services from Auckland to Hamilton and Rotorua (both no longer operating).

As all competing claims, statistics and forecasted values have been assess within this report, I will avoid regurgitating these throughout the submission, with the exception of making an example to reinforce a position.

The summary of this submission is that when considering the facts as reported by Treasury combined with my experience in both tourism and rail tourism, operating a heritage tourism railway on the North East Rail Corridor is not a financially viable proposition. However, as emotive support for the cause from a small sector of the community has been generated, and a claim of being self-sufficient in developing the railway has been repeatedly made, the L&NER group should take the opportunity provided by State Government to prove its case.

I do not believe that this should be at the expense of the North East Recreational Trail, which has secured Federal funding on its own merits and has been assessed by Treasury as viable and can confidently evidence a case of future economic and social returns to the community.

In the final section of my submission I focus on the combination of both railway and recreation trail in creating a highly compelling and very viable experience for both locals and visitors alike. The future ideal being visitors could board the train at Launceston, travel through to Lilydale, hire a bike from a local business and ride through to Denison Gorge, before returning to Lilydale to travel back to Launceston. Those passengers not inclined toward cycling would be able to enjoy time spent in Lilydale frequenting local businesses and/or walking to Lilydale Falls.

A final observation I will make is that of the North East community's growing discord regarding the railway. This is a result of the virulent public debate prosecuted by the North East Residents and Farmers group against anybody who supports the recreation trail. It must be noted here that the topic of the railway was front and centre during this local government election campaign and that the 72.79% of eligible residents who voted, have stated clearly their views on the matter.

This clear and evidenced community response should be seriously considered by any elected official when assessing the future proposed use of the North East Rail Corridor.

1. the feasibility of the proposed Scottsdale-Lilydale Falls rail trail.

The State Government has proposed "The Scottsdale to Lilydale Falls section of the North East rail line will be used to establish a cycle trail with a walking and cycle pathway to be created adjacent to the road between Lilydale Falls and Lilydale township."

What is essential for any recreation trail-based tourism experience to be effective is a viable 'origin' and 'destination.' When considering the needs for walkers, cyclists and horse riders to utilise the proposed recreational trail, both origin and destination need to be in close proximity to population centres.

In this case the townships of Scottsdale and Lilydale. The reasoning for this is various:

1. Visitors and locals using the trail require services. These commercial services for visitors are essential in generating economic return from an investment in the recreational trail. Ie. bike hire and servicing, cafes, accommodation, retail etc. Service based businesses are most viable in

- townships, where these services can be sustained from business generated by the broader community and other visitors to these towns.
- 2. Connecting travel services such as rental cars and coach shuttle services require appropriate built infrastructure (parking, etc) which is best provided in townships, again to provide value to the community in general
- 3. A sense of journey. In exploring the length of the proposed recreational trail, origin and destination are critical to a sense of fulfilment for any journey undertaken.
- 4. Connecting with community. Visitors value meeting local Tasmanians, and our regional towns are often where this is most likely to occur. This social connection is of high value to the community as well, allowing them to act as hosts to visitors to their towns.
- 5. Community use. The social and health benefits of recreational trails have been evidenced in other destinations across Australia and New Zealand. Ease of access to the trail is essential for community users.
- 6. people need safe and reliable access to the trails. Townships provide this as well as deter antisocial behaviour that can occur in more remote locations

In summary of the above the North East Recreational Trail would have less of an economic and social benefit to the community if not operating between Scottsdale and Lilydale.

The feasibility of the recreational trail in generating an economic return has been well documents in 'North East Rail Trail Preliminary Demand and Economic Benefit Assessment', (February 2014) and 'Investing in our Tourism Future' report, May 2016. In summary these reports state that once fully operational, after 5 years 22,800 visitors would be expected to use the trail, generating \$3.5million and sustaining 40 full time equivalent jobs.

It should be noted that these assessments were made in 2014 and 2016. Since then Tasmania has enjoyed a heightened average annual growth rate with regard to visitor numbers and visitor spend.

The North East townships of Scottsdale, Lilydale and Derby have shared in this growth. It is no surprise to anyone residing in North East Tasmania that a large portion of this growth has been driven by cycle tourism.

If the economic study into the North East Recreation Trail was renewed in 2018, appreciating the growth in visitor numbers to the north east, the substantial growth in cycle tourism in Tasmania and a broader use of the trail by walkers and horse riders, the author would therefore argue that economic feasibility of operating the North East Recreational Trail between Scottsdale and Lilydale would generate better returns to the community than those forecasted in 2014.

Community use of a recreational trail. This has perhaps been undersold to date, only because social and health returns are generally considered 'indirect' benefits for infrastructure investments of this kind. Evidence from country Victoria and New Zealand prove that not only do community members use these trails for daily exercise or to participate in community events, but this use improves social engagement and health outcomes for those participating.

In appreciating that the track record for regional Tasmania communities on most health measures is poor, the need for such recreational trails and facilities is obvious. Ensuring this essential infrastructure is accessible is critical. A recreational trail with an origin and destination of Scottsdale and Lilydale ensures that access.

2. the feasibility of the proposed Lilydale-Turners Marsh tourism railway;

The State Government has proposed "the section from Lilydale to Turners Marsh will be offered as stage one to L&NER to gain accreditation and operate a heritage rail service. Subject to successful completion of the first stage, the section from Turners Marsh to Coldwater Creek will be made available and subject to accreditation and scheduling access to the main Launceston to Georgetown line will be considered as well."

From the authors experience, supplemented by the Treasurer's report findings, essential elements would need to be evidenced to assure any investor (private or public) that the railway between Lilydale and Turners Marsh is feasible. The following considerations are those essentials:

- 1. Validation of the railway concept & market demand assessment
- 2. Known costs and returns from investment in critical Infrastructure (ie rail, sleepers, level crossings etc)
- 3. Availability of and investment in appropriate rolling stock (locomotives and/or carriages)
- 4. Potential for product development aligned to market demand and
- 5. Future development pathways that mitigate risk of a 'single service' operating model

1. Validation of the railway concept & market demand

From the author's experience and in considering best practice rail experiences across Australia and New Zealand, there is a tried and true 'recipe for success' for any Heritage railway. The ingredients are as follows:

- **Preserved rail corridor history**. The reality is very little if any of the rail corridor's history is preserved (especially the built heritage). Compared to other heritage railways the history that is recorded isn't of a compelling enough nature to base a heritage railway experience upon
- Historic rolling stock. The proposed railway argues for the use of rail cars. Built in the 1940s and 50s these rolling stock have some heritage value, but again lack any compelling historical connection to the North East rail corridor, or the communities that lived there in past times.
- **Diverse scenic value**. The North East provides scenic vistas of rolling country side and forested areas. Very little diversity in this scenic landscape is on offer anywhere along the North East corridor, when compared to competing railway experiences such as the West Coast Railway.
- Origin/destination. Critical to railways are railway stations and supporting transport links and aligned commercial services. In Lilydale (and eventually Launceston) the potential for these critical services may be made available into the future, but currently do not exist.

- Price vs operating costs. Railways, especially heritage railways not underwritten by the much larger revenues generated by rail freight operations, are compromised by high annual capital and operational costs (even when run as volunteer dependent businesses). These costs are generally calculated on a per kilometre basis. A balance needs to be struck with regard to the length of the journey vs the price that the market will accept for the experience, that also offsets these costs. The Lilydale to Turners Marsh journey allows for a reduced cost model to be piloted prior to expanding to a Lilydale to Launceston service.
- **Safety**. Paramount to the feasibility of any passenger transport business is safety. The safe operations of a railway for not only the passengers and staff, but all other users of adjoining land, roads and thoroughfares. What is required to run a safe railway, in terms of resourcing, expertise, capital and infrastructure investment is at the determination of the National Rail Safety Authority.

It is true that for some visitors rail travel is highly appealing. But, the rail journey needs to be able to be incorporated into their travel itineraries efficiently and/or provide a compelling and meaningful experience. The above 'ingredients for a success heritage railway' if evidenced, will satisfy these travel motivations.

That said the initial operation between Lilydale and Turners Marsh may allow for the creation of a return service operating from Lilydale to be viable. The real potential is in a Launceston to Lilydale service, either one-way and/or return, that connects to the recreational trail. This would allow for passengers to embark upon a journey from central Launceston, and either return to the city or travel on utilising alternate transport such as a regular coach service, or via bicycle on the recreation trail.

This 'rail n ride' experience has been proven in other destinations as having high visitor appeal and generating sustained returns to the community. The best example being the Taieri Gorge Railway/Otago Central Rail Trail combinations which have sustained a profitable operational partnership for over 20 years.

2. Known costs and returns from investment in critical infrastructure

One of the largest unknowns is not that the rail corridor infrastructure upgrades will be very expensive, but rather the capacity for the Launceston and North East Railway (L&NER) group to underwrite this cost without public sector funding. This is a claim that the group has repeatedly made, but may not have considered the realities of operating a heritage railway on a disused rail corridor.

As an example the Treasury's report cites the discrepancy in the cost to upgrade level crossings. Between Lilydale and Turner's Marsh there are four points where the railway crosses the C822 and C823 roads. If the estimates by Raylink stated in the report are taken as an upper level of investment, \$1.2million would be required to improve all four level crossings to an appropriate standard. Even if a lower range cost per level crossing of half this value was accepted by State Roads and/or appropriate authority, a cost of \$600,000 is more than likely beyond the capacity of the L&NER group to underwrite. Especially given the broad range of other on-going capital and operational costs required to operate an efficient heritage railway business.

This is unfortunately an unavoidable reality of railway operations. For the L&NER group to operate on the North East Rail Corridor to a contemporary safety standard prescribed by the National Rail Safety Authority, public sector funding would need to be secured in the range of multi-millions of dollars to ensure the infrastructure alone was up to acceptable standards.

3. Availability of and investment in restoring appropriate rolling stock

To date various ideas have been mooted by the L&NER group with regard to what configuration of locomotives and carriages could be utilised to provide a railway experience. The more recent proposal includes the use of an as yet to be restored railcar. Fortunately restoration of heritage railway carriages particularly are predominantly human resource intensive. With appropriately skilled volunteers who hold certifications to work on heritage passenger carriages, much of this cost can be offset.

However on-going capital expenditure for maintaining any type of locomotive would rely on the railway generating sustained levels of revenue from operating regular services.

4. Potential for product development aligned to market demand

Lilydale to Turners Marsh provides a great proving ground for the heritage railway to explore product and service concepts before expanding operations through to Launceston and beyond.

Unfortunately beyond the West Coast Railway, Tasmania offers very few 'best practice' scenarios to base product development upon. Examples can be derived from other destinations, but only if those destinations are comparable to the North and North East of Tasmania. In that a similar population density, visitor volume, profile of visitor and proximity to visitor 'port of entry' would be needed prior to assuming similar services and/or successes of a railway can be expected in the North East.

A range of regular services and on-demand services are possible to explore. Regular Lilydale-Turners Marsh-Lilydale return train excursions can be offered on weekends (as has been proposed by L&NER based on availability of volunteers) and actively promoted locally to community and visitors. Charter train services for groups could also be created, that connect to visits to North East wineries and other locations in the area.

But the future potential for the railway is to evolve to be able to operate from Launceston. In this the railway can explore a broader range of services not only on the North East railway corridor but potentially to other destinations in Tasmania. Examples of this include the aforementioned 'rail n ride' experience incorporating return Launceston train journeys with cycle tours as far as Denison Gorge, charter train services through to the Fingal Valley (potentially including steam locomotives) or even services to connect Launceston to Hobart.

5. Future development pathways for a heritage railway organisation

Much has been said about the idea of a railway operating to Scottsdale. That areas of high scenic value would be lost to the railway experience if it operated only as far as Lilydale. It has been claimed that the railway would be able to be sustainably operated (without any government funding) for a length of roughly 80kms (ie Turners Marsh to Scottsdale). It has been assumed, but not evidenced in any conclusive way, that there would be market demand for such a service, and a groundswell of support would materialise to generate sustained passenger numbers. However, this singular focus on Scottsdale distracts the L&NER group from focusing on its real future potential. That being to base its operations in Launceston city and operate on multiple corridors.

The most successful Heritage railway organisation that I have had the pleasure to work for is the now named Dunedin Railway, New Zealand. This organisation started out as an excursion train operated by the Otago Excursion Train Trust over 40 years ago. It evolved to be come a limited liability company with the major shareholder being Dunedin City Council. Critical to this railway's success was its ability to operate services on multiple rail corridors, while sustaining a signature rail journey on the Dunedin to Middlemarch corridor. However, at the beginning, the Trust made a critical decision not to operate beyond Middlemarch, allowing the Central Otago Rail Trail to be developed. This mutually respectful partnership is been successful for over 25 years.

Like Taieri Gorge Railway, future success for the L&NER group will be in their ability to diversify their business model beyond operating on just the North East railway corridor. Currently factions in their group have fixated on a railway that travels through to Scottsdale. Such a future is highly unlikely given the high costs involved in infrastructure upgrades and operating costs per kilometre vs ticket pricing.

However, the L&NER group needs to accept the offer on the table to operate as far as Lilydale if they wish to emulate the successes of such businesses as Taieri Gorge Railway Ltd.

If the group can prove they can operate feasibly from Lilydale to Turners Marsh they have a real chance of basing their operations in Launceston. From this central hub and through an eventual trusted working relationship with TasRail, into the future the group could be operating services through to George Town, the Fingal Valley, Hobart and any other range of destination where passenger trains could reach.

In summary the question was asked, what is the feasibility of the proposed Lilydale to Turners Marsh tourism railway? The answer is mixed. On the financial side of things, the costs are very prohibitive even for a public/private sector partnership to entertain. However, there is visitor potential for rail excursions, provided they eventually commence in Launceston, and provided an amicable working partnership with the North East Recreational Trail can be created.

However, in saying this I do believe the L&NER group should be offered the opportunity to prove if it can operate viability as it's proposed, initially on the Lilydale to Turners Marsh sector. But by no means should that impose any restrictions upon the North East Recreation Trail being built from Lilydale Falls through to Scottsdale.

3. the feasibility, funding, future management and maintenance of any tourism developments on the North East Railway Corridor; and

In responding to this question, both uses of the corridor will be treated separately, with the opportunity of collaboration explored in the third part of this section.

North East Recreation Trail (NERT)

The main costs associated with the NERT are the initial infrastructure build and then on-going land management and maintenance of the corridor (mainly weed control, and enhancement to fixtures) The Federal government has committed \$1.47 million the project which would see the development of the corridor between Scottsdale to Lilydale completed, with funding matched by in-kind support from Dorset Council and TasRail.

As this infrastructure funding has been secured, the vast majority of 'real cost' is covered. Therefore, resourcing is for the most part operational in nature. Dorset Council has committed to be the land manager for the corridor. It is expected that the Council would manage the recreational trail in partnership with the North East Recreational Trail association who would provide volunteer resources, hosts events and other fundraising activity to support the trail. Such events as the recent 'North East Rail Trail Run & Ride' in August 2018, through registrations to participate could generate income that would contribute toward funding enhancements to the trail, and/or be used as matched funding to attract grant funding for similar purposes.

For future enhancement to the recreation trail, the NERT group would seek grant funding opportunities. These enhancements could include rest stops, additional environmental toilets, visitor interpretation stops etc.

What has been evidenced in other rail trail destinations is the generation of start-up businesses that provide services to trail users and add to the liveability of regional towns associated with the trails.

So instead of incurring high operational costs, the trail would generate economic return through generating commercial business returns to the community.

The North East Recreation Trail Association was formed in 2014 as a not for profit organisation tasked with eventually managing activities on the trail itself. This community group concept is based on the very successful Central Otago Rail Trail Trust that manages the Rail Trail of the same name in partnership with the New Zealand Department of Conservation.

As a not for profit the group would be able to apply for grant funding to continuously enhance the trail's infrastructure while operationally the trail could be managed in partnership with Dorset Council.

North East Railway

The railway is far more complicated a proposition and therefore responding to this question needs to be done in parts.

Future funding

<u>Infrastructure costs</u>. As mentioned previously its not a case of this cost being high, it's the lack of exactness in its nature. When considering the below infrastructure needs, it is fair to assume that the L&NER group will not be able to operate without substantial government support:

- 1. Rail corridor (land) unknown degree of remedial works
- 2. **Railway line** (iron, sleepers and ballast) condition variable with costs expected to exceed stated estimates
- 3. **Engineered structures** (bridges and tunnels) condition of tunnel at Tunnel needing substantive upgrades, all bridges structures require assessment and then work dictated by certified engineers
- 4. **Level crossings** (4 between Lilydale- Turners Marsh, 12 in total to Scottsdale) at a cost estimates as high as \$300,000 per crossing
- 5. **Fencing upgrades** condition variable, but essential works necessary to avoid live-stock crossing the track and causing accidents.
- 6. **Passenger platforms and buildings** necessary for safety of passengers. Currently no adequate structures exist beyond the Scottsdale railway station. Costs associated with these new structures have not been disclosed
- 7. **Railway yards and buildings** (for maintenance and storage) no structures currently exist where rolling stock can be securely housed and worked in terms of general maintenance. Costs associated with these new structures have not been disclosed

The Raylink report referenced in the Treasury's report states the infrastructure costs between Lilydale and Turner's Marsh could be as high as \$5.56million (this excludes points 6 and 7 in the above list). Even if lower estimates were to be believed, the costs associated prior to the railway being operational would require significant resourcing, at levels not yet secured by the L&NER group.

<u>Capital expenditure</u>. Unlike many businesses, staff costs are not the greatest expense for a railway. Capital expenditure with regard to maintaining rolling stock and critical engineered structures are by far the largest expenses. Although dependent on what type of rolling stock is used (ie railcars vs locomotive/carriage configurations), this adds to the equation markedly.

<u>Compliance costs</u>. Beyond capital expenditure and fuel, the biggest costs to the operation are becoming and staying compliant with National Rail Safety regulations and the required public liability insurance cover necessary for operating a passenger rail service.

The actual cost of safety compliance across all aspects is unknown, however public liability insurance as stated in the Treasury's report, could be ten times higher than what was provided by L&NER group, or in other words, hundreds of thousands of dollars annually. This is an operating cost which would need to be covered by the railway from revenues raised in operating passenger services.

Two studies assessed by Treasury state (without market forecast data to validate) that the railway could raise circa \$196,564 in annual revenue by year three from approximately 22,500 passengers. Given the onus of public liability insurance, much if not all of this revenue may go to providing appropriate insurance cover

<u>Operating expenditure</u>. The vast majority of passenger revenue raised by the railway will go to underwriting operating costs of the railway. Very little should be expected to supplement the above costs associated with capital and compliance.

What also remains a concern is the price sensitivity of the market, especially the local community wanting to take a day excursion. With prices set as high as \$400 return for a family on a charter service (As stated in the Sarah Lebski & Associates report of 2016), it can be confidently assumed that the local market (and most visitors) could see this rail journey as too expensive. This is a major risk to the on-going viability of the railway operation.

Railway Management

As has been proven by Dunedin Railways, a community trust or organisation with the appropriately skilled people involved (note here experienced railway professionals with all appropriate certifications and experience in operating passenger railways at all levels of operation and management) can successfully operate a heritage tourism railway business.

To date people listed on the L&NER management group are not for the most part experienced railway professionals. Some members are enthusiasts who participate in other heritage railway related activities, but none have experience or appropriate skills to operate a passenger rail service on a public rail corridor.

Prior to commencing operations the current group would need to seek renewal by attracting new people onto the board who possess these skills and certifications.

The group to date has stated the majority of the human resource for operating and managing the railway would come from volunteer labour. Sourcing, upskilling and maintaining appropriate skills and certifications of these volunteers has not appreciated into the operating model for the railway.

A common risk faced by any volunteer dependent organisation is the reliable availability of volunteers to participate. The railway group has stated that services would run on weekends and public holidays, a time when more volunteers seek to spend time with their families. This risk of irregular human resource may result in scheduled services being cancelled, which in turn would affect the revenue forecasts of the enterprise. To mitigate this risk, paid staff to operator services would need to be employed, trained and retained. However, this increases markedly the operating expenditure of the railway.

In summary, although I believe that the L&NER group should be given every opportunity to develop a sustainable operating model, piloted on the Lilydale to Turners Marsh section of the track, the

financial and compliance complications that they would face make the success of this enterprise highly unlikely without substantial support from all levels of government.

Given the competing uses of the rail corridor now and into the future, and with the best interests of the community at heart, I believe the fairest consideration would be for a mortarium to be introduced. That is, within three years if the North East Railway is not operational then the corridor should be returned to the community to consider alternate uses.

If, however the railway does prove that a viable operational model is possible, then the State Government's proposed extension to Launceston should be provided without any further constraints.

A Mutually Respectful Working Partnership Between Railway and Recreation Trail

Two, currently competing uses of the rail corridor are being considered. Each on their own merits can be critically assessed with regard to what value they generate to the community. I believe that neither project will reach their fullest potential in benefiting the community based solely on their own merits.

The greatest opportunity available to the North East community is to develop both projects, on the condition that a mutual working partnership must be formalised. This collaboration between railway and rail trail has been proven in other destinations with much in common to the North East. The best example of the being Taieri Gorge Railway and the Central Otago Rail Trail.

In 2014 as CEO of Tourism Northern Tasmania, and in partnership with Dorset and City of Launceston councils, I invite Kate Wilson, the Chairperson of the Central Otago Rail Trail Trust, to visit Launceston and the North East to discuss the story behind their then 20 year history of building the rail trail and their partnership with Taieri Gorge Railway. Kate meet with community groups, councillors, the then Shadow Treasurer Peter Gutwein and others to discuss the potential of the rail trail. What was obvious then was the value the Central Otago Rail Trail put in its relationship with Taieri Gorge Railway and the co-dependence that had formed. This rail trail sees 95,000 cyclists each year, a solid percentage of which access the trail via the railway departing from Dunedin city.

This template should act as the guide by which the community and elected officials direct the respective North East groups to work toward a mutually beneficial and respectful relationship. The future ideal being visitors and locals could board the train at Launceston, travel through to Lilydale, hire a bike from a local business and ride through to Denison Gorge, before returning to Lilydale to travel back to Launceston. Those passengers not inclined toward cycling would be able to enjoy time spent in Lilydale frequenting local businesses and/or walking to Lilydale Falls.

This dual access point for Lilydale allows for the community to generate economic returns dispersed across all service businesses in the town. New start-up businesses could also emerge as have been evidenced in Middlemarch, the town that both trail and rail trail meet in the Central Otago example. The Lilydale market would receive more patronage and therefore generate more fundraising revenue for local community causes. Half day tours operators could connect to the train service offering tours of local wineries and attractions such as Bridestowe Lavender Farm.

The ideal future of a 'rail n ride' partnership between railway and recreation trail groups would be a 'best case' scenario for all parties, particularly the community of Lilydale. In fact Lilydale could face 'missing' on many economic benefits from both projects if an alternate 'meeting point' was considered, such as Wyena for instance.

In answering the question of future funding, management and maintenance of tourism developments on the corridor, a mutually beneficial working partnership in my opinion should be insisted upon by any level of government in allocating the dual use of the corridor.

What must be avoided at all costs is the continuation of one project demanding the failure of the other to guarantee its own success. In the case of the railway, clearly the future success of this operation is to operate out of Launceston, ideally on multiple rail corridors. This future does not require the demise of the North East Recreational Trail so the railway can reach Scottsdale. Scottsdale is in my opinion a dead-end solution for the railway's future development.

4. any other matters incidental thereto.

Lilydale to Wyena

The North East Residents and Farmers group are currently posing the argument that the railway must go as far as Wyena if not all the way to Scottsdale. This argument is based on the assumed scenic and heritage value of locations such as Tunnel and Denison Gorge, and proximity access to Bridestowe Lavender Farm. The group argues that without these sites, value would be detracted from the railway experience.

The reality is this is a flawed argument for the following reasons:

- the tunnel structure at Tunnel. The reality of the train passenger experience is when you go
 through a tunnel, it gets dark. For the passenger the tunnel isn't a highly attractive feature. In
 fact a railway tunnel experienced on foot or by bicycle is a far more meaning experience, with
 many more opportunities to expand on the interpretation of the structure and its history than
 would be available on-board a train
- 2. Denison Gorge. This area has scenic value there is no doubt. But it is not of such a high impactful nature as to become a top selling point for the railway. Again by walking, cycling or riding through the Gorge its impact would be more meaningful
- 3. Access to Bridestowe Lavender Farm. The rail corridor does not go directly past Bridestowe Lavender farm. Any passenger access to the farm would be by shuttle transfer, at an additional cost. This transfer service is more effective if it operated as part of a half day tour, combined with other experiences connecting to the train at Lilydale.

Emotion vs the practical reality

What has been most disheartening across the last two years particularly is the often times hate-filled and venomous way in which proponents for the railway have communicated their cause. The focus on destroying credibility of any person and organisation supporting the recreation trail has detracted

from what should have been an informed and intelligent community debate with regard to the

potential of the railway.

This negativity in the community has take the debate of the practical pros and cons of each competing

use of the corridor completely out of perspective. It is the responsibility of all elected officials at all

levels to bring this debate back to a practical, realistic assessment of each use of the corridor and how

they can work together for the greater good of the community.

During the recent local government election this negative debate was 'polled' by the community with

a return of the incumbent Mayor Greg Howard, a supporter of the State Government's shared use

proposal. If any elected officials wanted to gauge the sentiment of the whole community on this issue, then the 72.79% of eligible residents in Dorset Council who voted in the local government election

should be the only sounding board necessary.

Finally, the community deserves better than to be held to ransom by this issue. When compared to

the larger issues the North East needs to be unified behind and address, the great opportunities being presented to it, this drawn out debate needs to end. It has soaked up a hugely disproportional amount

of time and energy compared to the value of any eventual outcome. The community deserves better

than to be subjected to this on-going vendetta prosecuted by the few, distracting the many from

attending to what's really important.

Ends.

Signed:

Chris Griffin

CEO

Tourism Northern Tasmania Inc.

E: chris@tnt.or.au