

NE Rail Corridor

The Dorset Council initially proposed the development of a rail trail along the North East Line and received a Federal Government grant to pursue this. The *Strategic Infrastructure Corridors (Strategic and Recreational Use) Act 2016* (SIC Act) was developed to progress this project and others like it on disused or redundant railway infrastructure.

The Launceston North East Railway (LNER) subsequently proposed an alternative tourist and heritage railway service along this line. The Government agreed to investigate the feasibility of such an operation as an alternative to the rail trail proposal.

Initially, Infrastructure Tasmania undertook an internal review of the merits of the LNER proposal. The Department of Treasury and Finance (Treasury) was subsequently tasked with undertaking an evaluation of both proposals. Treasury met with the proponents of both projects as well as key stakeholders including TasRail, Infrastructure Tasmania and the Office of the National Rail Safety Regulator. Treasury officials also physically inspected a significant component of the line.

The Government recently received Treasury's assessment of the costs, benefits and risks of the rail trail and heritage rail proposals, and has now carefully considered the report. Treasury's report will be available on its website.

It is clear from the Treasury assessment that both proposals have the capacity to generate economic and employment benefits, both directly and indirectly, albeit the heritage rail proposal will be the more capital intensive project.

Whilst Treasury notes that Launceston and North East Railway (L&NER) have stated they have the capacity to fund and run the heritage railway without assistance from Government they also note that there are significant risks that L&NER would need to manage.

However, the government wishes for both projects to have the opportunity to proceed and accordingly, it is proposed that in terms of the future uses of the existing rail corridor that:

- The Scottsdale to Lilydale Falls section of the north-east rail line be utilised for the purpose of establishing the rail trail project for cyclists. Subject to funding and planning approval a cycle trail will be established adjacent to the road between Lilydale falls and Lilydale town-ship.
- The heritage rail proposal be offered a two stage pathway initially beginning on the 12.5 kilometre section of the north-east rail line, running from Turners Marsh to Lilydale for establishing the heritage rail project.

Subject to successful completion of this first stage a future corridor expansion to Coldwater Creek to access TasRail's operational Launceston to Bell Bay line be considered as stage two.

The two stages would provide a Heritage rail experience in total of 21.5 kilometres of non-operational line between Coldwater Creek and Lilydale as well as access to the 52 kilometre TasRail operational line between Launceston and Bell Bay subject to accreditation and scheduling

This approach provides the opportunity for the heritage rail and cycling projects to progress on different sections of the corridor.

The Dorset Council has the opportunity to continue what they have started with the existing 26 kilometre rail trail between Scottsdale and Billycock Hill. The extension of the rail trail to Lilydale falls and then on to Lilydale town-ship by pathway will provide in total a cycling experience of 68 kilometres.

In terms of heritage rail L&NER has the opportunity to develop two stages of track that provides the opportunity for up to a 21.5 kilometre tourist rail experience, as well as access to the main Launceston to Bell Bay line subject to accreditation and scheduling.

Heritage rail services generally operate on significantly shorter routes. For example, Don River Railway successfully operates over a route of approximately seven kilometres between Don and Coles Beach/return.

Both the Turners Marsh and Lilydale sites have an existing platform as well as sufficient corridor land to cater for the provision of a station building or other facilities that would be required for passengers to get on/off the train as well as passenger amenities and car parking if required.

In addition, the residents of Lilydale and surrounds will also benefit from the government's intention to establish a new commuter pathway between Lilydale and Lilydale Falls providing a safe environment for both walking and cycling.

By providing both parties with an opportunity to develop this valuable asset in their own way, the government has minimised the costs and risks involved to each party and therefore maximised the chances of both projects becoming viable tourist attractions servicing this wonderful part of the State.

I have today advised the proponents of both projects of the proposed way forward by the government.

The next steps will be for the Department of State Growth to engage with the proponents of the respective projects to progress the arrangements necessary for the Minister for Infrastructure to facilitate access to the respective parcels within the existing rail corridor.



Peter Gutwein MP
Treasurer
Minister for State Growth