THE LEGISLATIVE COUNCIL GOVERNMENT ADMINISTRATION COMMITTEE B MET AT REGIONAL HOUSE, DUNEDIN, NEW ZEALAND ON FRIDAY 10 MAY 2019

NORTH-EAST RAILWAY CORRIDOR INQUIRY

<u>Ms KATE WILSON, Mr ANTHONY LONGMAN, Mr PATERSON, Mr BARRIE WILLS,</u> <u>Mr ROD PEIRCE</u> AND <u>Mr DYLAN RUSHBROOK</u>, OTAGO CENTRAL RAIL TRUST WERE CALLED AND EXAMINED.

CHAIR (Ms Armitage) - Welcome. We are looking at rails and the trails and we know New Zealand does rails and trails very well. We are looking at how much use rails and trails get, the cost of the upkeep, the insurance, whether trains are feasible and whether it is a possibility. We are looking at what you have done, what you've found has worked, what you've found hasn't worked and how far you are along, how long it takes, and volunteers - whatever you have to tell us is all useful for us when we're putting together our committee recommendations.

Ms WILSON - They are all doing the Taieri Gorge up to Pukerangi tomorrow and a lot of the rail stuff will be discussed then. The change happening in your communities because you have a cycleway, where you had nothing or a previous railway that hadn't been used - whether it's still there or not. Maybe go backwards: would you rather have a train here now or would you rather some more cycleways? That is the sort of conversation, but in Roxburgh I would love to know how many businesses started out.

Mr PEIRCE - I'm from Roxburgh. There are seven cafes in the region of Roxburgh and Millers Flat and three hotels. The whole business is booming because of the cycle trail. In Lawrence, which is at the lower end of our trail, a 72-kilometre trail, they lost a big company, Tuapeka Gold Print, which went to Dunedin. Fortunately, Clutha Gold Trail was opening and has helped fill the gap there. There is a restructuring going on right now because there is an intention of extending Clutha Gold Cycle Trail from Lawrence to Whitehall which is virtually Dunedin. It is an interesting situation. They have four cafes. There is definitely a very strong growth of cafes and service industries in the Roxburgh-Millers Flat region.

Ms RATTRAY - When we said rail, we need to qualify it is heritage rail. It is not intending the rail group are looking to put back necessarily heavy rail/transport/freight and that type of thing.

CHAIR - It is tourist rail.

Mr PEIRCE - We fortunately closed all the side rail nationwide in 1968. I had a son who rode in that last wagon rail. We replaced it with the concept of cycling, so we utilised a proportion of the railway. This the same with the rail trail.

Mr WILLS - Basically what's happened with the rail trail and with the other walking and cycling trails around here is they've breathed a hell of a lot of life into our smaller rural communities and that has really helped a lot. We have a nice community here like Alexander and Cromwell, et cetera. It is generally pretty well self-sustained, but a lot of those rural communities were going backwards. There has been a real turnaround. In terms of the suggestion that maybe

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the rail trails here would go back to rail, I don't think we would even entertain the idea. It has been a turn for the better. It has taken a while to get it into place, because initially the metal on it was wrong for cycling, we couldn't do it and it was resurfaced. Now the whole thing is ticking over quite nicely and it's feeding into our other trails around here. It is even developing more of the network further up the river - we are going to have Queenstown to Wanaka and the whole lot of us all the way through to Clutha Coast, possibly Dunedin, linked together. Eventually, you will be able to do a full circuit right around over however many days you want to do it. It has been a big positive for this region.

Ms MURPHY - Another thing to think about is the future, isn't it? Is your future heritage rail or is your future cycling? Where are we going with climate change? Some people connect through our trail seven or eight times. Would they do that for a train ride? I don't know that they might, but they come back and then more people and even more people. I am not sure the rail would have the same longevity in terms of what you can offer your communities as perhaps a cycleway can.

Mr PATERSON - What sort of distance are you looking at?

Ms RATTRAY - Sixty-eight kilometres.

Mr WILLS - What sort of geography is it going through? Taieri Gorge is a particular type of geography which you will see tomorrow is spectacular for a train ride, because it's in and out.

Ms RATTRAY - Can you remind me what the grade is?

Ms WILSON - Three.

Ms RATTRAY - The track is one in three?

Ms WILSON - I think you are talking more about landscape. Is it outstanding landscape you are observing from a train?

CHAIR - No.

Ms RATTRAY - The tunnel and the gorge. We have one of the longest tunnels in Tasmania for a train track and a really nice gorge, but at this time it is not included in the Government's proposal. They have offered the heritage rail 12 kilometres of next to nothing. It is just a bit of scrub and bush, and really not much.

Mr DEAN - The Government's proposal is just outside Launceston through a place called Turners Marsh, which is nothing, through to Lilydale.

Mr WILLS - It's up the north end.

Mr DEAN - Yes. The most scenic part of it is from Lilydale through to Scottsdale, or through to Wyena, where the great sites are, with the tunnel and the gorge area. The heritage rail people have real concern with this [inaudible].

Mr PEIRCE - Rats.

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Ms RATTRAY - I wish I had a rat like that at my place.

Mr PEIRCE - Does it connect your community? Where is it sitting? Is it connecting two towns? Are there towns along the track?

Ms RATTRAY - A couple of towns.

Mr DEAN - There are some other scenic areas along the way. You have the Bridestowe Lavender Estate, of course, which is a significant part of that whole area as well. There are some other scenic areas along this part but the only main town on the whole track is really Lilydale. That is a nice little country town. Beautiful little areas, not dissimilar to some of the areas we have driven through here. It is in the valley; it seems very scenic, in fact.

Ms RATTRAY - It very much reminds me of Alexandra.

Ms ARMITAGE - But Bridestowe is quite a few kilometres off either the train or the rail track. There would still need to a bus to take them there. So did you pull up all your rails? You would have to pull up all the rails because it is on the corridor, obviously. Did you remove the rail or go over the top?

Ms WILSON - It was known the train was not going to be there; it sold off the corridor and literally had a 'Pink Panther' train go along the railway to pick up the track. They did not take away the ballast, the gravel. We did not do much better at our end, so for the first five or six years of the trail, if anyone fell off, they really hurt themselves. They used to get a lot more punctures. Now you can do the whole trail easily without ever getting a puncture. Those sorts of things - just getting the surface right and taking the ballast off and leaving the other structure [inaudible].

Mr WILLS - The nurserymen and the landscapers made a killing from all the sleepers.

Ms WILSON - But you want to keep some of it because you do want to have some of that. There are some fences [inaudible] on one side is irons and the other side is sleepers, and it actually keeps reminding you that you are on the railway. You do want to talk to the heritage side.

Ms FLETCHER - With small towns, for us, Alexandra is a big town. Small communities can actually be three or four houses where they have benefitted massively from the trail, and so what you may not think of as a community, because when you put a cycling trail through, you will then encourage people to stop. That is the key for us. With the rail trail, every 10 kilometres we have a café or somewhere you can stop - a local pub, that sort of thing. Admittedly we had them because of the rail line because it stopped at regular intervals to let people off -

Ms HURD - No, that was a different story. Each pub was the distance a horse could travel in a day - 20 kilometres.

Mr DEAN - It might be helpful to know a little bit more. Currently we have the two divisions. We have the heritage rail group and the rail trail group, and they are pretty well divided between them, but they don't come together - and when the two do come together, it is almost

physical. There have been suggestions of physical involvement and so on; that allegation has been made.

We have the money people on the heritage train side, and money people on the other side as well, and the heritage rail is saying a rail trail is not going to work, and the road trail is saying a heritage rail will not work.

That is where we are. One local government - Dorset, the main council - strongly supports the rail trail and will not even listen to the heritage rail, and there is nothing fairer than that in Australia. There is a huge division between the two.

Ms MURPHY - There is no reason you cannot have both. There is no reason you cannot have a cycle trail that retains the rail heritage. You cannot put a train along it, but all that trail can speak to the heritage. You can even have the odd train sitting at a station, but you do not have to have it moving along a trail to have a railway heritage.

Ms ARMITAGE - The issue is they do not want the track pulled up. In some areas you cannot have both because there is no room for the track and the trail.

Ms MURPHY - It is almost dangerous to have both. The gravel eats away [inaudible].

Mr FARRELL - I think the difference here is that your line was removed many years ago -

Ms WILSON - [inaudible] that was just before [inaudible].

Mr FARRELL - Just before the start, yes.

Mr PEIRCE - That was the wonderful country [inaudible]. It is actually up [inaudible].

[Ten seconds inaudible]

Ms WILSON - It appears to me what you are looking at is there is a really wealthy guy in [inaudible] who loves planes and loves train and has set up [inaudible]. He feels he has got trains there as well.

Mr WILLS - He has got trains and they run on very short length of line.

Ms WILSON - I don't think it is a huge success for [inaudible] or for himself. Interestingly [inaudible] is a really great place where the ride is quite easy. As far as I am concerned as an operator of a railway café owner, I would rather have whole load of people come in slowly, dropping in as they bike at an uneven speed than having 100 arrive on the train all at once.

Ms MURPHY - The other thing is too that people arriving on the train stop where the train stops. People who are on cycles can stop anywhere they like and they can also veer off to go to those other side activities or towns. They are not limited by where that train stops so the opportunity in a commercial sense is far greater.

Mr PEIRCE - Another good thing is that the servicing of cyclists is done in one van within the main so you could take six cyclists or eight cyclists to accommodation 5 kilometres away in a van and that van is run from [inaudible].

Ms RATTRAY - One of the issues we have is the fact that we still have working farms along the track and there is a real pushback from a number of the landowners and that is how come the train group [inaudible].

Mr JEFFREY - We could write a book about the [inaudible] some oppose, some are for. Generally speaking after it has been constructed, the farmer will start to -

Ms RATTRAY - That is actually what Kate shared with us this morning that the opposition has waned and we know that that can happen from time to time. Still, as an elected representative of the community, when you have a community saying that 'You are going to impact on our livelihood', and this is their view, getting them to come on a journey - and unfortunately the Dorset Council, the council driving the rail trail, didn't actually engage very well with those landowners at the outset.

Mr WILLS - That is the key you have to be there straightaway. I cannot work back in land research [inaudible]. That is the first thing I said when we started off - you actually have to talk to the landowners right from the word go, before council or anyone gets involved. We did that and we have not been 100 per cent successful. We still have two properties to get through but we are being patient. I know from other merino farmers are a bit leery about their sheep and one or two of those were the biggest opposition to the rail trail from the outset and have turned into some of our biggest supporters.

Ms WILSON - You are going to meet the Duttons this afternoon.

Ms MURPHY - They have accommodation inquiries now on the farm.

Mr JEFFREY - [inaudible] 10-year old the current rail trial that belongs to the government does it?

Mr FARRELL - It's a state Government asset at the moment but the Government introduced legislation so that it could basically hand it over to anyone who put in for a corridor licence, but it maintains the corridor but people can use it for other purposes.

Mr JEFFREY - So you are off to a good start. Does it link to anything else? If you want to create a cycle trail, does it link to anything else?

Mr FARRELL - No, I don't think so

Ms RATTRAY - Unfortunately the current piece of rail trail established in the north-east in the Dorset municipality, which is the one driving the extension back in towards Launceston, that actually goes to nowhere. They haven't been able to facilitate a path because of adjoining landowners because it goes beside a slaughterhouse.

Of course, there is a concern that the slaughterhouse would be shut down because people riding their bikes do not necessarily want to see what happens close by the slaughterhouse. That

is a stalemate so they thought, 'Well, we can't go any further into the north-east so we will head back towards the north instead'. Then the opposition had just come the other way. These landowners up here were successful - they held them off. There is a thought that if we hold them off here, we will have just this little piece in the middle that doesn't do much at all. It is a really complex situation.

Mr ARMSTRONG - With your local government authority, do you have to apply for a licence or does that become a development application through the local council?

Ms WILSON - The rail trail is owned by the Crown and managed by the Department of Conservation as a recreation reserve on behalf of the Crown. If there are neighbouring farmers along the trail who want to get from one side of their farm to the other side of the farm, they need to get an access agreement. The Department of Conservation manages those.

Mr ARMSTRONG - That will not have to go through your local authority?

Ms WILSON - No, but that is because the Department of Conservation is managing that particular trail. It is not the same with every trail, but that is how it works with this one.

Mr JEFFREY - With the other trails they are developing right now, we get the easement through, whether it is government-owned land or, as is usually the case, pastoral leases that farmers own. First, you have to get the farmer to agree, then you have to get the government authority to agree. Just recently, in a section we were doing up there we had to get consensus by the railway as well.

Mr ARMSTRONG - You can't have any conditions on it. You were saying about the cafés that have opened since the rail trail started. In Tasmania, we have areas in the quiet years where businesses close their doors, particularly the on the Tasman Peninsula they used to. What happens here with these businesses where it is a quiet time of the year? Possibly through the winter, I would imagine it would be quiet - do those businesses still stay open without the support of the rail trail people?

Ms MURPHY - Some do, some don't. Most of them do, but there is still the opportunity for people to go through the winter and a number of providers at each of the accommodation levels allow us to still - we are open for 12 months. We are different because we have a bike shop as well as a tour company. We are able to run trips through the winter. It is good because the other operators send things to us because they know that we are out and about. That is an area we want to develop from our use perspective because in times like March and April we are at capacity.

We want to be able to push out to the end of May so we have really good numbers through to the end of May. We are really starting at the beginning of September because we have a number of accommodation providers in particular who have made a lifestyle choice to come down to the trail. They close in the winter for however many months and go away. As far as they are concerned, that is how their business model works.

We have some that will shut on 29 April and not reopen until 1 October. You have that sort of thing going on as well. There are opportunities to still run it - we have two boat operators on the Roxburgh Gorge, one works right through the winter as well. It just works quietly away, which is nice.

Mr PEIRCE - Along the Clutha Gold Trail, which covers the Roxburgh large towns, we have a highway, State Highway 8, which is parallel and very busy, so we are open all year.

Mr WILLS - I did some cycling in your neck of the woods recently, and parts of that were along the old rail alignment. Are you familiar with that? Do you know what the story is in terms of the setting up that particular trail? There are parallels, presumably, with what you are trying to do in Tasmania.

Ms RATTRAY - We have just come from the Yarra Valley, where they have this wonderful arrangement between the shires. There is a bit of heritage rail, then that connects with the rail trail, which is music to my ears.

Ms ARMITAGE - They are working together.

Ms RATTRAY - Yes, they are working together. Unfortunately, I guess the issue is having a champion to be able to bring it together. It appears to me it is about the communication. Unfortunately, we didn't have that at the beginning, so now we are trying to repair the relationship to be able to best -

Mr PEIRCE - We worked on the community; it was developed all the time. One of the first things our working group, which then became a charity trust, did was employ a negotiator. That was at a very early stage and he was crucial to the whole thing.

Mr WILLS - Even before that we actually had a memorandum of understanding written and signed by the farmers and landowners.

Ms ARMITAGE - So your council put all this together? Who put the working group together?

Mr WILLS - We were just a mixture - it started through council - it was done from there initially but then came along.

Ms ARMITAGE - So the council didn't form the working group; you formed the working group yourselves?

Mr WILLS - Yes. It was a whole mixture of people. We were on the community board, and there were others from outside and not even associated with council. That's how we started, and then it morphed into a charitable trust and then we [inaudible] it up and now we actually got a company going, which is running our two trails [inaudible] it between us and that company.

Mr PEIRCE - We worked strongly on the community development factor all the time, and they now have the Clutha Gold Trail in the area, lots of farmers who were very supportive of the community development for the community, and they were very helpful and supportive.

Initially we were nervous and didn't know which one would support us and which wouldn't, but in the end they all did so it was very good.

Ms WILSON - Looks like your experience [inaudible] it illustrates more at the other end with that section and what give the markets [inaudible] it as well.

Mr MURRAY - Amongst your landownership, there's e about 33 different private owners that we had to get letters of intent from to get our funding. We are also working with that running alongside the railway. Probably you would have come through Melton this morning, we're probably running alongside the railway and another six [inaudible] it would be right within the rail corridor. We are working with KiwiRail at the moment.

Mr FARRELL - So when the corridor became available though there weren't any heritage rail groups or anyone else interested in the corridor? It was mainly -

Mr MURRAY - The train's still running on the one -

Mr FARRELL - Yes, but the disused lines -

Ms WILSON - That did happen with [inaudible] it. So you had a Dunedin-based group saying we need to preserve the [inaudible] it so great was the train, and that's where the line had a boundary. You have a train trip that goes most of the way there and then the rail trail from there.

Ms FLETCHER - You really need your tunnel and gorge to set it up to have everything. I don't know if the bikers need the tunnels and gorges or you need your heritage rail and your tunnel and your gorge, but from what I'm thinking, 62 kilometres isn't long enough and a tunnel and a gorge is a selling point. You're saying your heritage rail is going through 12 kilometres of nothing. What's the point?

There has to be some give back and from our perspective I think our perfect trip is to fly into Queenstown, we pick you up from Queenstown, you come through, start the trail inside, you go through and you catch the train to Dunedin. That is the ultimate trip. You're finishing with the Taieri Gorge train and they're getting dropped off. For us, the beginning and the end is really important but it is super important, if you have this heritage, you have your tracks still in there, and you need to be able to make the most of them, but if it is going through boring places, you have got a problem. How can the heritage justify it? You're telling us you have a gorge and a tunnel and I'm going, that's what you're after.

Ms RATTRAY -That's pretty much why we are here and that's why the committee was formed. That was the offer the Government put to the two groups - you get this and you get 12 kilometres of nothing. As members representing our communities we said, if you're not going to give us anything of any value, then perhaps we don't have anything at all in the way of trains.

Ms ARMITAGE - The trail people are happy to get 11 kilometres.

Ms WILSON - Are you looking at steam trains or diesel?

Mr FARRELL - A railcar. I've noticed you have a lot of trails that are off the rail track that reconnect and go around different issues. That is obviously something that you had to plan and fund for when you got your trails operating. What where the challenges to do that? Was it mainly land access, or was it all done on Crown land?

Mr WILLS - It is access [inaudible] get off Crown land. We have Land Information New Zealand, which is the Crown equivalent that looks after that sort of land. Negotiations for that are usually not too bad. But the other through [inaudible] Gorge, that's the old rail trail that goes through there, isn't it?

Mr PEIRCE - We have a mixture of old rail line. The rail line went right from [Roxborough] to Laurence to Needle. We have ended up utilising some parts of the rail lines. We have used 50 kilometres of river bank, which gives us what we call the Queen's Chain.

Mr FARRELL - I think there is opportunity where we are coming from for that to happen, but nobody seems to be willing. I don't think the funding has been properly sought. I think they are looking at doing the quickest sort of budget job that can be done and that is where some of the access issues arise. There is enough there to have both, but it needs to be planned properly. With a local government body that is not willing to bring it together it is a huge opportunity lost.

Mr DEAN - We are dealing with a corridor that has only been disused since about 30 years ago - I think that's when the last train went through it.

Mr FARRELL - Late 1990s, I think.

Mr DEAN - The infrastructure, we are told by some, is that you could virtually put light rail on it today and it would be fine. We are talking about rail infrastructure which is quite good.

Ms ARMITAGE - Well, that is questionable, Ivan.

Mr DEAN - You could say most. A lot of it is very good and you could put light rail straight on it. There are some areas that need a bit of work. We are talking about a rail line of that capacity.

Ms WILSON - Where it tells me it would be expensive is trying to do those things together depending on kilometres and how many railway bridges you have got and crossings. If you have a whole lot of those -for example, in some parts a trail crossing on the bridge which has no sides so you have to put sides on them and you will have to put a base on them, but they can take the weight. Putting a brand new bridge up for a cycleway on some of those crossings will be really expensive, and you can't use the existing infrastructure and that is where cycleways going on railway lines is so efficient.

Ms ARMITAGE - That is where the question is too with funding. Would you have a rough figure of how much per kilometre it would cost for your rail trail?

Mr JEFFREY - To construct it or to maintain it?

Ms RATTRAY - Probably both to construct it and then maintain it because it is no use constructing it unless you are going to maintain it.

Mr JEFFREY - I can get you the figures for roughly what it would cost to construct it.

Ms ARMITAGE - I am questioning whether \$1.47 million is anywhere near enough money.

Mr JEFFREY - What we don't know is how many - if you are going to start building bridges you are going to big numbers. The other thing is that if you are crossing a lot of bridges they are very expensive to maintain.

Ms ARMITAGE - There is one bridge that needs some repair and one of the train enthusiasts has said that he would repair it at his cost. Of course, until an engineer looks at it you don't really know what the costs might be. It might be a lot more that you believe to repair a bridge to a standard that a train can go across it. It is a lot different when it's a trail with a bike going across it.

Mr WELLS - All of our trails are multimillion dollars trails for a start. Some of them, we are talking one hundred dollars or more per metre, to develop when going through virgin land and that is extremely expensive.

Mr DEAN - Perhaps we should take you up on your offer, if you don't mind, to provide us with the cost to construct and the cost to maintain it.

CHAIR - When we were looking in the Yarra Valley, they were spending half a million dollars purely for maintenance. They were trying to ease it back, but it was a lot of money just maintaining the track.

Mr JEFFREY - Probably working on \$1000 per kilometre to maintain through the year. I would say if you are 68 kilometres you would want to be starting with at least \$10 million.

CHAIR - What if they have to repay it. How many kilometres of the trail is there now?

Ms RATTRAY - About 13.

CHAIR - It is one thing to build it, but there is the ongoing.

Mr WILLS - We do a lot of our area ourselves. We are doing a lot of repairs. We do our culverts and things like that.

CHAIR - How many volunteers would you have with your group?

Mr WILLS - I do about 10 kilometres on this end here of the trail. Some of these other guys do the same going the other end.

CHAIR - It is not hard getting volunteers?

Mr WILLS - We get help. We have people we can call and take down with us.

Mr PEIRCE - Recently, we have been employing periodic detention workers on one day a week now. That has been quite effective - chopping trees, raking leaves and clearing culverts.

CHAIR - It requires one of you to be there.

Mr JEFFREY - Rod stands over them.

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CHAIR - You don't have a service group? Do any of the service groups come on board and take you on as a project to maintain?

Ms FLETCH - Rotary is doing a project. They're clearing the area in front of the [inaudible].

Ms RATTRAY - The local Rotary club has actually established the 13 or so kilometres we already have in place. They are doing their best to look after it at the moment, but unfortunately, their membership is ageing and they are running out of people available.

Mr JEFFREY - Some of the funding we have to construct this trail is from a government organisation. We have to adhere to and maintain the standards. Rotary sounds fine, but as long as someone is overseeing what they are doing, it is probably better than funding. In New Zealand's circumstances they had to maintain it to a standard.

Ms RATTRAY - Actually, the Rotary Club did the first 13 kilometres and then the government realised they have done the rail trail on our rail corridor so we better actually formalise this and brought in a retrospective legislation.

Mr FARRELL - Yes, it has all been done back-to-front.

Ms RATTRAY - Somebody had a good idea, and not saying it wasn't a reasonable idea, it simply does not go anywhere.

Mr FARRELL - It is interesting when you talk of standards, it is really the tracks we have looked at in Victoria are beautifully maintained and wonderfully serviced. From what we have seen so far here, it is the same case. It is probably not the case for the existing track in Tasmania. Is that managed by a department of the government?

Ms WILSON - When the communities said they wanted to take on trails, the council said they would underwrite the siding and they would maintain them. The central government made funds available for wash-outs and emergency things, because disasters do happen. They and some councils have been really good about doing this.

Mr WILLS - We have [inaudible] people have a fund there for maintenance and we have to apply. We have to come up with a plan, budgets and all of the rest of it prior to then. Steven and I, because we are on the council here - managed to convince the council to put in a fund now, which is compounding over a period of time. It is not a huge fund, but we can also call on that for work. If there is emergency work, major landscaping or something, we can go back to the government and get something from them for that.

Mr FARRELL - That is not really the case with us, is it. It is the state government saying this is something we don't need anymore, here you go local government, you look after it. It needs to have all levels of government support.

Mr WILLS - It does. Also, we have Central Lakes Trust and we have a huge fund, which we can dip into from time-to-time. We don't get any future money out of it, but it goes around the whole community and it has been a big saving for us.

Ms FLETCHER - For the rail trail at Evan Dock [TBC] - that's a government department who has been dealing with the maintenance as against the different -what you have here is two different funding streams, as far as the Roxburgh Gorge [inaudible] very much more difficult, whereas the rail trail because it has been here for as long and was unique in its own setup of things has benefited from the fact the Department of Conservation does most of the maintenance on the trail, whereas these guys do not have access to this.

Mr WELLS - It is taxpayer funded. First of all, what we did as working parties through the goal of five people from the Roxburgh region and five people from the Lawrence region. The same thing happened for the Roxburgh Gorge Trail. You have so many from Roxburgh and so many from Alexandra [TBC]. A mixture. The whole works done by locals. That is the key locals running it, not administrators. Administrators can support and do a tremendous lot. It can never get done without them, but you have to have those on the ground. Farmers, tourism operators, whatever.

Mr DEAN -To get right back to the start, you need a strong board. You need the right people on it who can negotiate, consult, and bring everybody together. We do not have this in Tasmania. We have a council -

Mr PEIRCE - That is what you have to have.

Mr DEAN - That's right. Brett from Yarra Glen went there and rail trailed the [inaudible]. Council and Parks people -

Ms ARMITAGE - They had a facilitator, Mr Brett Whelan.

Mr DEAN - Yes. You have to have that strong group in place who can negotiate.

Mr PEIRCE - From our original strong group, Murray, sitting beside you, and myself are representatives from the Clutha Gold Trail and the company that is administrating the maintenance for Clutha Gold and Roxburgh Gorge which marry along Clutha River, and these two gentlemen, Steve Jeffery and Barry, are on the Roxburgh Gorge. There are four of us and another couple, who are administrating the maintenance. That has been the follow up. The original was low capacity.

Mr JEFFREY - When the project started, there was huge assistance from our local council. Probably, not this sort of assistance, when going through the Resource Consent Processes and everything else. The brochure and all the branding must be done. It needs a lot of assistance.

Mr PATERSON - If you think it is going to be easy, you are wrong

Ms ARMITAGE - The Dorset Council said they would take on the rail trail. Do you believe a local council would be able to, with all the other things they do, specifically do the rail trail, organise the maintenance, keep it going? It also transgresses into another council, which is an issue as the other council prefers not to have a lot to do with the rail trail. Would the other council need to put together a specific board, because it is such an issue to take over and look after?

Ms WILSON - So the rail trail has representatives right along the trail. We prioritise what we think needs to go on the trail and what improvements need to happen. We also work at what maintenance they need to do.

It doesn't have to be a council to do this and I think again [inaudible] community group as it takes all those [inaudible] out, and if you have one council not wanting this -

Ms ARMITAGE - We want it, but we are not prepared to put any money in. That is my council.

Mr FARRELL - They have the majority of the track.

Ms ARMITAGE - Well, there is only a very small party in that council. It's an interesting area, not sure if you are aware, but Launceston City Council is the largest council in the state. The area of Lilydale, and some of the smaller areas, are on the outskirts, quite a long way from the actual city. Whereas some of the city areas are in a different council. It has all been demographically arranged so they have the rate base to keep each capital viable. Launceston has these areas of Lilydale and Turners Marsh and some of those smaller areas.

Ms FLETCHER - What sort of distances are you talking?

Ms ARMITAGE - Twenty kilometres.

Ms FLETCHER - Twenty kilometres, so they could have a cycle way that links the centre of the city and joins up with rail trail?

Ms ARMITAGE - Launceston really has no interest in the rail trail; it is Dorset Council at Scottsdale, a different demographic.

Ms FLETCHER - We lived in different places but we worked together to develop cycling in New Zealand and this is from the top-down.

Ms ARMITAGE - In Launceston, bike tracks are mainly on roads, which is more the issue, as Ivan, who was on the Launceston City Council with me at one stage, would say.

Ms FLETCHER - Why are you developing cycle trails that come out from centre of town?

Mr RUSHBROOK - Have you support from whatever Tasmania's heritage thing is?

Ms RATTRAY - That is quite supportive of where we were, they have been very good but haven't pushed one way or the other.

Ms ARMITAGE - I disagree; I think they are very focused on the rail trail.

Ms ARMITAGE - They have not been negative though towards the trains, again, they just do not want to be involved.

Mr LONGMAN - [Inaudible] the community value too, so the biggest user groups for the rail trail and the gorge is the local community. It is giving them a recreational asset; many in the

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community wouldn't jump on a train three times a week and go for a heritage rail travel, but you might go for a walk with your family. That is directly improving the quality of life of people in those communities. Also, it gives the wider surrounding area another asset that costs them nothing to use. It is an indirect benefit, but probably one of biggest benefits lifestyle-wise for a small town.

Ms ARMITAGE - So you would start in the more built-up areas where there is a greater number of people?

Mr LONGMAN - You can look at the financial value or return of having a train versus have rail trail and businesses that make money on it. As a council you need to look at your ratepayer base and population and what the average person receives from having this asset and the ability to have recreation. Local and state government look to improves how lifestyle potentially reduces other factors

Ms WILSON - [Inaudible] the eight kilometres on the rail trail, there is another loop so [inaudible] it's absolutely fantastic and young kids can do it. The one thing in the way was the state, highway which we travelled on today the rail trail crossed and the [inaudible] worked together to get NZTA funding in for that and we have now gone an underpass which links it right into [inaudible].

Ms FLETCHER - Two years before that.

Ms WILSON - And the difference activated a community.

Ms FLETCHER - How we tried to sell it was the fact that, yes, it is going benefit the cycle trail, but it is actually our kids and our community who live on the other side of the highway. The parents didn't have to worry about them crossing that main highway anymore. The underpass and flow-on effects to us in the operations side, meant our clients could then do exactly the same.

The latest count at a place called Wilderness Upland Trail [inaudible] where a huge number of people go and ride daily at the end of Roxburgh Ridge. The count on that it is about 15 000 on the rail trail, but I have a feeling the counter at [inaudible] is something like 50 kilometres.

Ms WILSON - We undersell ours because -

Mr DEAN - How many short course rides have you as against riding the whole course?

Ms WILSON - This is a large community health benefit.

Mr DEAN - What is the cost per [inaudible] on the track

Ms WILSON - It is a very cool [inaudible]

Mr WELLS - It is easy done

Ms ARMITAGE - Anyone who has a bit of free time might like to come and sort us out.

Mr WELLS - You have to have locals

Ms WILSON - [Inaudible] Launceston and I really thought it was going there.

Ms ARMITAGE - It is because of the arguments; the two groups will not meet in the middle. Originally the Government said it is just going to be a rail trail, then it bowed to public pressure, which was the heritage rail crew. Their supporters, said 'No, this is not fair, we want some of this pie too'. They came up with a compromise. But as I said, some of us, as directly elected members of those areas, think the compromise is not going to work because of what is being offered.

Ms FLETCHER - The whole health and wellbeing side is a significant reason for getting people out on bikes. The numbers of people who are buying bikes. This is where I put my other hat on as a retail bike shop, is the e-bike is going through the roof and you need to be able to provide them for somewhere to go on their e-bikes. We want people doing exercise and seeing their local community. There has to be a driver of why it needs to be well thought out, rather than 'We have this, we will throw something at it rather than thinking about lots of different ways you can sell it as a product.'

So many people do the 22-kilometre loop from Clyde down the rail and back up the rail track.

Mr DEAN - Are trail bikes sales outdoing outdoing road bike sales?

Ms FLETCHER - We have sold two road bikes in the last three months, and we have sold a large number of other bikes.

Ms WILSON - We have really good biking areas here. Great, it is not steep - you can do miles and miles - but predominantly, it is mountain bikes, more universal bikes. People are becoming more savvy wanting a good product and suppliers are producing those.

New Zealand has grabbed e-bikes stronger than possibly any other nation in the world. Percentage wise, it is a known fact there have been more bikes sold in New Zealand.

Ms WILSON - We do not stop bikes coming in [inaudible] local laws. You guys will not allow e-bikes to come into New Zealand, because you have stringent enforcement of your regulations to New Zealand.

Ms FLETCHER - Ours cannot be any more than 300 watts or they have to be registered as a vehicle. So we are able to bring in bikes that will do up to 32 kmp.

Mr WELLS - There was some debate about whether we should have these e-bikes on our trails for a start and we are okay.

Ms ARMITAGE - You are better to have people there, than not there.

Ms WILSON - It has not reduced the length of time people spend on the trails. We tried that as an operator. We went to the trust and said 'Do not panic, people are still going to do four and five days on the trail'. They are not going to go, 'because I have an e-bike, I am going to bang it out in two days'. It is not going to happen.

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It has actually allowed more people to ride and they are able to only ride for say, three hours a day and enjoy those things around.

Ms RATTRAY - When do they have to charge them again?

Ms FLETCHER - They charge them overnight. It costs the same as charging a cell phone.

Ms ARMITAGE - You have your Airbnbs and somewhere along the trail for them to stay. So plenty of places.

Ms WILSON - There are also many involved in astronomy. There is a lot of night sky which comes back to the infrastructure - the portable infrastructure is the rail trail is and not dependent only on trails.

Ms ARMITAGE - Apart from the café, have you found Airbnbs and little places for people to stay have popped up along the way? If they are doing four or five days, they have to stay somewhere.

Ms FLETCHER - If you look at the development of modern lodges or you look at -

Ms ARMITAGE - Farmstays?

Ms FLETCHER - Yes, farmstays but also taking on old structures and buildings and turning them into wonderful places for people to stay. The whole thing about the rail trail in particular is the heritage around it. It's a heritage site from one end to the other. It also has these amazing quirky things on it that make it - whereas the scenery of Roxburgh Gorge just knocks it out of the park. Also, it has the whole history of goldmining in New Zealand. The storytelling around them is super important. Yes, you have the ones that shoot out to the point out [inaudible]... it's a training ride, so let's use it [inaudible], but then you have someone from Australia or somewhere who is there on holiday and they want learn and hear the stories.

I had a group the other day and they have said they love coming in May because they get to sit with the owners and have a natter at the local pub. The locals are coming back to the pubs now because in March and April, they all go away and hide, and they can make connections.

Ms RATTRAY - That is a bit what is happening with the mountain bikes. We have a place called Blue Derby in the corner of the north-east. The pubs have come alive again and there is a fair bit happening, but obviously they are a different demographic. I have seen some of the videos how they get around those tracks and I don't think it is for me.

Ms WILSON - We are developing trails [inaudible] to develop the whole [inaudible] quite different trails. You have a group and it is a whole family group and you may go for one little spin, half a day going there to get their buzz but still connect with the group.

Again, the rail trail has done has developed a core skeleton link of businesses and other things can develop off them. You may get mountain biking or you make it gravel riding, which is quite different again. There is different stuff happening on the edges. We will see the trail [inaudible] we talked about the various stages today - a very thick line where people can go off and do those other things.

ALEX - Again, that all adds to the local community. As you saw this morning, was it [inaudible] track, seven new cafes - but the locals get to enjoy those cafes as well, so it's those benefits that come into the local community as well.

Mr DEAN - Are you saying that for heritage rail to be successful, it has to have strategic points along the track - in other words it has to have good scenic areas, point to point positions with the heritage rail, and the same with the rail trail as well that there need to be some scenic areas - is that what you are saying?

Ms WILSON - I think it is far more complicated than railways. I'm sorry [inaudible] on railways. The initial ticket cost of just having a railway is expensive, so you need to have a half-day experience. If you don't have a half-day experience on a train, you are not going to get the ticket price right. Your tickets tomorrow for what you're going to do will be - but you don't have to pay - are \$109. You're going to get a ride up to Pukarangi and back and [inaudible] one way. The railway only pays its way; it doesn't make money, I can assure you. Dunedin is - so many tours and [inaudible] we own. It would cost you \$100 [inaudible] you're going to go 45. I don't think 12 kilometres is going to do it. I won't pay \$109 to go on a 12-kilometre ride, even if it's going to be for a railcar. I actually think that is where you need to be crystal clear tomorrow about how it will work. If you are relying on just tourism and volunteers - Taieri Gorge relies on a lot of volunteers to able to [inaudible]. I just think you won't be able to provide the service that the bike companies can. I know that is a really sad story and as I told you I've got rail heritage in my blood.

Mr FARRELL - The thing that is overlooked a lot though is the only cost-effective solution to get people from the centre of Launceston out to where they want to start the trail is by using the rail, because the cost of putting a track from Launceston was prohibitive.

Ms WILSON - That's right. Launceston is better place to take the Heritage Train and the line [inaudible].

Mr FARRELL - There are opportunities where we are, which have not been looked at, where one can benefit the other and vice versa.

Ms WILSON - To make good use of it, it needs to come out of Launceston. We need to population [inaudible].

Mr FARRELL - There are quite a few solutions there, or possibilities, not being considered and is the issue we have. That is why we want to talk to people like you who have to face these challenges.

Ms WILSON - No rail company in New Zealand, [inaudible] makes money. Everything else is subsidised. They are expensive things to run.

Mr PATTERSON - Cycle railways are expensive to run. They are not actually making money.

Ms WILSON - The community is making money.

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Mr DEAN - Puffing Billy in Victoria is now starting to make some money.

Ms ARMITAGE - I do not think so. Don't they get \$7 million from the government every year?

Mr LONGMAN - There is also [inaudible].

Mr RUSHBROOK - Computer-driven. It is like a bike that goes on railways.

Ms ARMITAGE - I do not think our budget is going to stretch to get us to the northern island. I think Mr Farrell mentioned that.

Mr FARRELL - We have them at Maydena.

Mr LONGMAN - What's going to be the experience? A rail heritage experience, or a cycling experience. Let's talk about it in terms of [inaudible]. What would make you come to it? Community values matter, but our meeting this morning was about how we promote our trails in a collaborative way to get more people here riding, and so that's the other aspect of it. Is it going to be a desirable activity people will come and do it, because it's got something unique, like riding through a gorge or a tunnel, or any area they have never gone into before. That is one thing with gorges, the only way to go down that track was by bus.

It has opened up a whole other world for people to explore that was just there[inaudible]

Ms ARMITAGE - Even once we have built it, if it ever gets built, it obviously needs the marketing to make people come, if no-one knows it's there.

It has been very worthwhile for us today and we really appreciate the time you have given us so we could hear what you have done. It is the same with the Yarra Valley. Listening to the experience they have actually had, and how you are doing it.

I think you certainly do need a board. You need a driving force, not simply to start it, but to continue on. That has been pointed out today. To have it there is one thing, but to get people on it is another, for people to know about it.

What you have given to us today is very useful. I really appreciate the time you have taken. It has been very worthwhile for us. Thank you very much.

Mr DEAN - We ought to be saying to a group of you who have done it successfully, 'Come across, have a look at this, how do you see it, what do you of it? Can you give us your report?'

Ms WILSON - You've got it all just right in front of you. I have walked it, you have the most gorgeous product there.

CHAIR - It's getting it right.

Ms WILSON - Also, because what you just said was - Rod, how many years have you been doing this?

Mr PEIRCE - Since 2006.

Ms WILSON - Fifteen years?

Mr PEIRCE - No, about 2008, I think, 12 or 13 years.

Ms WILSON - Since 2004? How long have you been here?

Ms HURD - Since 2012.

Ms WILSON - The people who need to be on that need to be long-haul people.

CHAIR - Longevity.

Ms WILSON - One of our original trustees and associate trustees started in 1994.

CHAIR - That is great. There really needs to be a board of some type, with some members from council and some from the community so you have this longevity to work it out and continue it on.

Mr LONGMAN - The key word is passion.

Ms WILSON - None of the original trustees were cyclists [inaudible]. Most of them aren't cyclists. I've met [inaudible] before.

CHAIR - You have passion for the community, though. Thank you very much. We really appreciate your time.

The committee concluded at 12.01 p.m.