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THE LEGISLATIVE COUNCIL SESSIONAL COMMITTEE GOVERNMENT ADMINISTRATION B MET IN THE COMMITTEE ROOM, GROUND FLOOR, HENTY HOUSE, LAUNCESTON ON TUESDAY, 16 APRIL 2019.

NORTH-EAST RAILWAY CORRIDOR

DISCUSSION WITH **Mr BRETT WHELAN**, PRESIDENT, YARRA VALLEY RAILWAYS VIA TELEPHONE.

CHAIR (Ms Armitage) - Thank you, Brett for being available for our public hearing today. I will introduce you to who we have here around our table. The member for Huon, Robert Armstrong; the member for Prosser, Jane Howlett; the member for McIntyre, Tania Rattray; the member for Derwent, Craig Farrell; the member for Windermere, Ivan Dean; and I am the member for Launceston, Rosemary Armitage, and we have assisting us, Natasha Exel, who you have been speaking to, and Julie Thompson.

We very much you spending the time today to have a chat with us. If you would like to give a brief overview of what you do with the Yarra Valley Railways and members could ask some questions, if that suits you.

Mr WHELAN - Has everybody read the submission I put in? I do not want to go over old ground for you.

The Yarra Valley Railways is quite interesting. You can almost draw a line through when we had the devastating bushfires about 10 years in 2009. That really got the community thinking about the rail corridor. It could not be compared to what the North East corridor is like and was in a very run-down state. There were certain sections in better condition than others. The bushfires created opportunity of renewal even though there was no funding available for the railway, because the corridor is a Victorian state-owned asset and managed by Victrak, a corporatised entity.

The Yarra Valley Railway had been in existence well before the bushfires, but it was being operated more like a Men's Shed and the membership was, I am guessing, between 80 and 100. That allowed the community to start having a conversation about rebuilding it into a tourist and heritage railway. We are very close to Puffing Billy. I am sure you all know it is one of the largest tourist attractions in Victoria. Whilst we are not trying to replicate Puffing Billy in any way, apart from it being a heritage railway, we took solace in the understanding there was a real business model there for the tourist and heritage railway. From there we were able to develop a very small step-by-step business plan to rebuild the line, and working with local business and community, for the railway to become a supporting entity to those businesses.

Puffing Billy itself is a tourist destination, so people come just to ride on Puffing Billy. The Yarra Valley Railway is being totally developed to be an adjunct to the existing tourist profile in the valley. Yarra Valley is very famous in its broader tourism profile for being more adult. We have wineries, rock concerts, fine food. There are lots of things for adult tourism, but family friendly tourism is a little disjointed. It was firmly felt by the local community, the railway could be the vehicle to help link not only the two major tourist towns of the Valley; Yarra Glen and

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Healesville, but it could also be the important conduit to allow people to stay in the valley and visit various tourist destinations close or directly adjacent to the railway. In a lot of ways, the geography and where the railway is sitting was perfect for this sort of opportunity. Unfortunately, it took a bushfire for it to become the reality it is turning into today.

From that solid business plan and slowly having the community more and more involved, we are about to start Stage 2 of our reconstruction, remembering we have had almost rebuild the whole railway. Every bridge is being rebuilt. We are not keeping a single sleeper. All the rail is being replaced. Nearly all the buildings have to be rebuilt, apart from the buildings in Healesville. Actually, a couple of those had to be rebuilt as well but the station building in Healesville is about the only structure that we won't be totally rebuilding on this project.

To give you an idea of the amount of community support the project has, we have just finished completing the number of volunteer hours that have gone into the project. This is purely a volunteer project; there is very little in the way of paid contractors. We do have people who come with skills to the railway but they come, even in their professional guise, as volunteers 99 per cent of the time. We have just finished tallying those numbers. Last year, we had over 70 000 volunteer hours go into the project. That came about with 500 to 550 individual volunteers from 10 different community groups. The project is quite wide-reaching.

That, in a nutshell, gives you a little bit of background on where we are today.

CHAIR - Thank you very much. I will see if we have any questions.

Mr ARMSTRONG - Just a little bit of background about the railway. What was the railway used for before you took it over? I think you said it was owned by VicRail. Is it still owned by VicRail and the government, or have you received ownership of it altogether now?

Mr WHELAN - Absolutely, it is state asset still. Any materials we put into the track, or any of the bridges we have rebuilt, or any structures that were placed on the railway, become state assets. We have a community lease with the state government that is effectively about \$100 a year to occupy the land. It's our responsibility as an accredited railway - we are accredited just like TasRail is - to run trains, to operate as a passenger-carrying railway, and for works trains as well. We are not allowed to carry paid freight - obviously our own work trains carry ballast and things like that we need for rebuilding.

Victorian Railways shut the line as far as Healesville in, I think, 1980. Then there was a community group that got together to try to save the railway as a normal public transport system. That was called the Healesville Railway Cooperative, which existed for some time - I'm not sure exactly what date they finished up. Then the organisation that directly preceded ours and what we morphed into was the Yarra Valley Tourist Railway. They ran workers' trolleys, which are very light - they are rail vehicles, and the best way to think of them is as a pallet on a couple of wheels. They are very cheap to run and the amount of trackwork and maintenance you need to do is very little. That is why we refer to it as being more like a men's shed. It is very similar to a men's shed - it's tinkering with things and every now and again running a bit of a service.

When the bushfires took place, new management took over the railway. They were all locals directly involved in business, tourism or coming from a rail background. They were professionals, engineers and so forth; that is where the whole project really took place.

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Mr ARMSTRONG - When the rail was run by VicRail was it passenger and freight?

Mr WHELAN - Correct, it was both. The railway was cut back as far as a place called Coldstream, which is a little bit further down the line. They were running freight out of Coldstream still up until - I can't remember exactly but it might have been in the late 1990s or early 2000s that freight stopped running out of Coldstream.

Mr ARMSTRONG - What is the distance that you travel now from A to B?

Mr WHELAN - The distance we travel right now is only 4 kilometres because we are still rebuilding the rest of the railway. When we have completed the rebuild it will be about 13 kilometres.

Mr ARMSTRONG - Thank you.

Mr DEAN - There has been a lot of debate and different figures thrown up for the infrastructure and returning it to a usable state, et cetera. I noticed in your submission in the third paragraph, you say the infrastructure experts are unable to estimate the costs regarding the rebuilding, the running costs of the tourism and heritage rail sector as they had little or no experience within the sector or community-based projects and are more used to working with large commercial entities and government agencies. I think what you are saying is their costings are not near the target and are well and truly over it. Are you saying that it needs to be done with local community people's involvement?

Mr WHELAN - Yes, it is almost exactly what I am saying. Our experience on the ground is that once you empower the community to make it happen, the community, by hook or by crook, makes it happen. Especially for our project, where every piece of infrastructure is being totally renewed, we need that seed funding for the community to say 'let's make it happen' because we have that little bit of money in the bank and we can factorise that out and make every dollar work.

For every dollar that gets put in the project by either the state or federal government, or even local government, we are factoring that out to about six. For every dollar that gets put in, we get about a \$6 real commercial return. That is usually because the labour doesn't cost anything and the materials come at a discount, even from some of the biggest rail companies in Australia. They have helped out with the project in huge ways.

It is amazing. A lot of these businesses don't have the opportunity to give back to the community. When you come along with a neat package for them that they can help provide a solution for, I have found six times out of 10 they will jump at that opportunity because it is a good PR story for them as well.

Mr DEAN - If I can go to the beginning of this, how did you sell this concept to the people and to the local government and the state? How did you go about selling this concept of rebuilding this line and turning it into heritage rail?

Mr WHELAN - I guess we clearly articulated what the finished product was going to be and had a very strong business case behind that. I will go back one step as it helps explain and answer your question.

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The very first thing was that we said: we are not going to ask for any money. We are going to show that the community can rebuild a short section of track, which was that 4 kilometres we are currently running on. We will get a rail motor that we are able to find and restore. The community got involved in supplying material and things as simple as paint and fabric to recover all the seats, and the oil to put into the engine. It was a plethora of small contributions here and there that added up into a substantial amount.

Then we went about being accredited as a heavy-rail operator so that we could run the trains. We had people already involved in the railway but we also had people become involved from other railways to help that happen.

We went to the state government, which was doing sleeper renewals. They were just discarding the sleepers. They were either being scrapped or sold to garden suppliers at no cost to the government. The contractors were taking them and selling them. We said, we will go and pick them up; we will pay to go and grab them. There will be no cost to the government, but if you could allow us to have, I think it might have been 5000 good-quality sleepers, we could make this happen, and that is what we did. The volunteers, local truck drivers and local machine operators went and got these sleepers off the main line. We packed them, stacked them, put them on trucks, brought them back to the railway and we re-sleepered about 4 kilometres of track. That allowed us to start running the service that we now run and prove there was a business case. We proved that it was delivering the returns that we had been talking about.

From that, the federal government said, hang on, my goodness, you do not do any advertising. We do not see any advertising and you are already carrying[TBC 2.21.26 p.m.]

[Audio drops out 2.21.30 to 2.21.37p.m.]

- to get the railway rebuilt. What was that?

CHAIR - We lost about 20 seconds.

CHAIR - If you could repeat what you said about the federal government, please, Brett.

Mr WHELAN - Okay. We had a slow-burn approach because our core membership, the people who were interested in running the railway, did not necessarily have the background in running trains. We had to set up the training program and train the drivers. Even though we had train drivers that worked on other railways and so forth come and join us, we still had to do all that training and ticket selling. You are basically setting up a small business. From -

[Audio drops out 2.22.31 to 2.22.36 p.m.]

Mr WHELAN - fifteen thousand people a year.

CHAIR - We lost you again, you seem to be dropping out.

Ms RATTRAY - Could you please repeat the numbers, Brett?

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Mr WHELAN - It was at approximately 15 000 people a year through the slow burn approach. We were slowly developing the business model so that it could prove to be sustainable. What then happened was that our federal member saw what we were doing and said that this is just fantastic. The local council became involved. The local council, Yarra Ranges Council, became involved and wanted to help out. With the support of the local council and the federal government we had funding for what we call stage 1, which is the rebuilding of all those bridges, concrete sleepers that we are going to put in and all those sorts of things, and the rebuilding of the station complex at Yarra Glen from the ground up. The money we received from the federal government was effectively for materials. That allowed the volunteers to then get in and do the hard graft to rebuild all those bridges, the overland railway station and all the other bits and pieces that were involved in that.

Mr DEAN - Thank you for that. I have one further question. You would be aware of the situation of our north-east rail. There is opposition between that of a heritage train and a rail-trail walking and riding path through the same area. Did you confront any of that in the Yarra Valley railway? Was it always going to be a heritage rail, or was there any suggestion it might become a walking path and pushbike riding path?

Mr WHELAN - Let me go back one step. We would never pull up a railway in Victoria. I do not think there has ever been a case anywhere in Victoria - and we probably have more bike trails than the rest of Australia put together - of physically pulling a railway with any sort of future, whether it is P&H or whether it is an operating railway, to put a bike track down.

With that in consideration, the next step for us was to embrace the bike trails because that is an important part of the tourism mix. Again, we are local community people wanting to build a tourism profile for all age groups. We have worked diligently and with the bike trail people. We are in the process of developing a bike-trail hub at Yarra Glen station and we are working successfully on that with Yarra Ranges Council. When some of you come over in a couple of weeks' time, I would be really happy to show you how that works. I have invited one of the directors and the CEO from Yarra Ranges Council to come along, too. You can see how the two add value when they can coexist, especially when you can develop it into a hub. We are going to be running bike trains. Little kids cannot ride very far. We have primary school children and we have bike trails all around us. I can tell you, after about 3 kilometres they are wanting to know where their ice-cream is going to be.

You look at the bike trail and ask, are we trying to attract to families or are we trying to attract another type? We have mountain bike hubs and all sorts of things going on around us. They are for certain markets but I always see that a rail-trail is really a family thing. The grades are very soft. It is about little kids and mums and dads on their bikes. The advantage that we are going to have in what we have been working on with council is that people will be able to catch public transport out to Lilydale Railway Station and they will be able to ride their bikes. I am not sure how far it is, maybe 10 kilometres, but it is dead flat, there are no grades, and they will be able to get on a train and go to Healesville and that is hilly. You have to go up and down hills to get to Healesville and have a nice day out. They put the bikes back on the train, go back to Yarra Glen and then ride back to Lilydale. It is horses for courses, I guess, yes.

Mr DEAN - Thank you very much for that. We are looking forward to coming over and looking at your set up there.

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Mr FARRELL - Following on from Ivan's first question, Brett, about the construction work, what was the difference in price between the contractor's quote and doing the work yourself?

Mr WHELAN - Craig, there are lots of different ways to measure it. I mentioned before the one-for-six and that is the way I have looked at it. The one dollar versus the six dollars, which is a contractor coming and doing it, and the dollar it costs us to do, also has a whole lot of asterisks attached. It still relies on the railway doing preparation and preliminary work, making sure all the planning and engineering is done. The project management is still done by the railway.

To answer your question in a different way using that one-for-six, which I do use a little bit, is that the state government was very sceptical after the bushfires. I am sure your state government is a lot more progressive than ours was at the time. The fact we are having this conversation proves to me that you are. They were throwing all sorts of figures around and it ranged between \$20 million to \$25 million for stage 1. There were saying it is going to cost between \$20 million to \$25 million to rebuild the railway up to the standard we are talking about. We have totally proved that wrong. It is \$3 million plus a little bit. We are not quite finished yet, so I cannot tell you the exact price. A lot of that is material price and you might get a special deal, but when you are dealing with needing 20 000 tonnes of ballast to be delivered to the railway there is only so much you can get in goodwill at those quantities. There is where a lot of that money was sunk into.

Mr FARRELL - Two of the big hurdles thrown up have been with the rail regulator, how difficult it is, and the insurance. Naysayers suggest the insurance will cost too much and be difficult to obtain. What is your experience with those?

Mr WHELAN - Yes, good questions, Craig. The rail regulator needs to see that you have systems in place but they are certainly not impossible. You need to remember that here in Victoria we have, I am guessing, 16 or 17 tourist and heritage railways and tramways that all report this same regulator. Most of them are accredited rail operators, whether they are tramways or railways. They control their own destiny and are responsible for their own safety. Nearly 80 per cent of them are totally voluntary. Some of them have a few paid key employees, who look after track maintenance or the workshops, but most of them are totally voluntary like us. Last year, the Victorian sector carried over 1 million people.

In a lot of ways in Victoria, we are used to passenger-carrying railway. We have a full suburban train system and country trains. For volunteers to be running a train, a lot of people look at it as not dissimilar to a heritage bus service, which we have over here, too. We have different clubs on different weekends that run heritage buses around the state. Nobody is greatly concerned about it, as each of the railways and tramways take that responsibility very seriously and have safety committees set up. All that is totally replicated.

There is a national body called ATHRA, the Association of Tourist and Heritage Railways Australia. I understand most of you have met or at least spoken to Chris Martin, the president. It is the same everywhere else in Australia. That is the way it works. There has not been any major issue, that I know of, involving a tourism and heritage railway in Victoria for quite a time.

Mr FARRELL - Thank you. You hinted toward it then, it is often mentioned that the Tasmanian government is reluctant because they are operating the West Coast Wilderness Railway and any other railways will be seen as competition. That is probably why things haven't

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moved. You mentioned that you have suburban trains and country trains in Victoria, so the competition for a train ride is far steeper. How do you see your relationship or complementing activities with Puffing Billy, as you mentioned earlier?

Mr WHELAN - We find the complete opposite. As I laid out at the start, we are in different markets. Puffing Billy is all about it being a destination. That is fantastic and they have a very successful business. We are more about it being a 45-minute ride as part of their day in the Yarra Valley. The only market you would be concerned about so-called cannibalising your market share would be the railway enthusiast market and they are completely the opposite. They want to go on every train they can. Most tourists don't say, 'We have to go there because of the train'. They say, 'We are going there and we are going to do this, this and this', unless you are going to Puffing Billy.

I have been on the West Coast Wilderness Railway. It's quite a unique journey and it is quite enjoyable. But, in a lot of ways, I have always felt that model was flawed right from the beginning, in the way it was set up. I have read quite a bit about it. Before I got involved in the Yarra Valley Railway, I came from a business background and I am used to doing a lot of research. The tourism and heritage sector is really well-suited to being set up like it is in Victoria, where there is a strong core of volunteering that is connected completely to that heritage and that is where the passion comes from. The community adds onto that, which allows those volunteers to expand and for it to become a fuller and more complete product.

Mr FARRELL - Thanks, Brett.

Ms RATTRAY - Brett, your perspective is interesting. We have some synergies because one of the towns in this area that may develop a train or bike trail is Lilydale. We have a Lilydale here as well. I am interested in the experience you have on those distances because I thought a 4-kilometre ride wouldn't be a terribly popular service but it appears that it is.

Mr WHELAN - It is not 4 kilometres. Yes, it is there and back, so we don't have a station. The railway effectively finishes because we're rebuilding it. It just finishes on a spot of track. It is 8 kilometres there and back. We have to be very careful in the way we market it. That is the reason why we haven't done a lot of marketing. When most people come off the train, they say that it was really enjoyable, fantastic, but it was a bit short. When we explain to them what we are doing with our brochures and pictures up around the station and so forth, they get what we are doing. Most people tend to ride a tourist railway from point A to B and back to point A because that is usually where their vehicle or transport is located. You need to look at a tourist railway from a there-and-back perspective. The 13 kilometres we are rebuilding is probably closer to 14 kilometres by the time you take into account the station limit. It is more like a 28-kilometre journey because it is a two-way trip.

Ms RATTRAY - Do you plan on having a destination at the end of that 13 or 14 kilometres before you turn around? Is there an experience at the end, or is simply, we are here, we'll stop and have a cup of tea and turn around and go back? I am looking forward to the opportunity to look at what you have in the Yarra Valley.

Mr WHELAN - We would certainly love to have you over. That is the key. In some ways, it is of high importance as to how successful it's going to be. You will always have people on the train, so right now we don't go anywhere. I'm hoping that when you come out we will have

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enough time to go for a trip on the current service and you will understand what I'm talking about now. It literally stops, the driver walks up to the other end of the rail motor and drives back to Healesville. Even with that, we are successful. We're covering all our costs, we have money in the bank just from operating that service.

To be super-successful, to really be kicking goals, you need to be going from somewhere to somewhere else, not to nowhere. That is where the Healesville to Yarra Glen situation comes in, at those two key tourist towns in the valley, and where our numbers will grow exponentially once they are connected. I hope that answers the question.

Ms RATTRAY - It does and will be good to see. Mr Farrell asked you about the rail regulator but I do not think you made a comment on the insurance. This is one of the hurdles presented to the group, saying you will never be able to pay the insurance, let alone make any money.

Mr WHELAN - I beg to differ. The number of tourism and heritage railways around the country clearly demonstrate it is not the case. In Victoria, we are particularly fortunate, do not quote me on this, we pay up to \$10 million in insurance. The whole tourism and heritage sector pay up to an amount whether it is, \$10 million or \$20 million cover. I cannot remember exactly. It is an amount of money in the millions and then the state government covers through state insurance scheme over and above the amount. It effectively means we have \$100 million cover and that is the same for every tourism and heritage railway in the state of Victoria.

Ms RATTRAY - The take home message is you have a very supportive government.

Mr FARRELL - Brett, you were saying earlier you are unaware of any claims on insurance being made.

Mr WHELAN - As far as I am aware. Chris Martin might be a better one to ask. As far as I am aware there has never been a claim.

CHAIR - To clarify this, you all contribute to the insurance up to the \$10 million and then the state picks up the rest so that is the contribution. Can you give us an idea of the contribution the Yarra Valley Railway would have to put in for the insurance?

Mr WHELAN - I know a lot about the Yarra Valley Railway, but I am not the treasurer. The fact that I do not know probably demonstrates it is big a deal for us.

CHAIR - It would be interesting to find out if we could receive an answer back to understand what the likelihood is, or how much the cost is because it is an important question. It is good to know you have that cover but we need to know what the cover costs. Thank you.

Mr ARMSTRONG - Brett, how long you have been operating now on the 4 kilometres?

Mr WHELAN - It is probably a little over eight years on the 4 kilometres, 8 kilometres return with the walk/ride.

Mr ARMSTRONG - How much is it to travel the 4-kilometre ride?

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Mr WHELAN - We have various different structures for travelling. I do not want to be misquoted so am trying to grab a current brochure. Funnily enough, I do not actually pay to travel on the train.

Ms RATTRAY - That is a perk of the president?

Mr WHELAN - No, it means I am usually too busy organising things to actually travel on the train. One of the problems with being the president is you do not actually enjoy the railway like others do.

I am checking because our pricing structure recently went up so am double checking online. So if I could come back to this, it would be great.

CHAIR - Brett, I have found it online and can pass it to my fellow members.

Mr WHELAN - I did not want to be a dollar out, as I thought I would get curry over that.

CHAIR - I have here that adults are \$18, children through to 16 years are \$12, concession is \$16, a family of two adults and two children under 16 is \$50, and pre-bookings for groups of 10 or more are available.

Mr ARMSTRONG - Any idea what you would be paying for the completed trip, the 13 kilometres? I do not suppose you have priced this yet.

Mr WHELAN - It depends on exactly when the line is going to be fully open. Obviously, we will then totally assess our operating costs. It would be in line with other tourism and heritage railways in the state. Certainly, not as high as Puffing Billy, which is quite expensive to travel on, but more in line with Bellarine Railway or the Victorian Goldfields Railway. There are a couple of railways very similar to what we will be, once we have finished.

Mr ARMSTRONG - It was mentioned this one may possibly \$100, but it was an off-the-cuff remark.

How much money have you received in government funding or equivalent? Would you have any idea of how much you would have received to have the rail up and running?

Mr WHELAN - To date we have received a little over \$3 million from the federal government,

Mr ARMSTRONG - And local government?

Mr WHELAN - There has been various other small grants and so forth, that would accumulate up to several hundreds of thousands of dollars.

Ms RATTRAY - Brett, has most of the Victorian government support been more in-kind like covering the insurance, railway sleepers, and that type of thing, or have they been generous?

Mr WHELAN - We have recently had a state election and both parties gave a pre-election commitment to the railway of about \$3.7 million. It is one of those things - success breeds

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success. We have not seen any of the money. The current state government has not been in power very long and some of these things take a little bit longer to come through, that is, to build the railway to a profile of being able to carry in excess of a quarter of a million people a year. Our tourism numbers are moving forward with the project. Every time we become bigger, we are going to be carrying another 100 000 people, the state government understands the infrastructure then required to do this needs to step up. I can give you an independent study by Rimplan, on the economic benefits of the railway. With the extra injection, it has been looking at about \$30 million directly back into the community, with many jobs attached to this, not directly by the railway, but in-kind through other different industries that will grow up around the extra tourism profile.

CHAIR - We have 10 minutes and a few questions.

Ms HOWLETT - To clarify the state funding from the election promise, was the \$3.5 million state funding in addition to \$3 million federal funding?

Mr WHELAN - We have received about \$3 million from the federal government. We have not received all the funding yet, but the federal government was a \$3.5 million grant and the state was \$3.745 million. It is difficult to explain without coming to the railway, because our railway is a full reconstruction in every way. When we have finished the rebuilding, we will not have a single ounce of existing infrastructure remain. Every bridge will be rebuilt, every piece of rail will be replaced, every sleeper will be replaced. That will become clear when you come out. You will see. We have to put major infrastructure back in.

I have been out and looked at the North East Railway and that is certainly not what is required there.

CHAIR - Brett, was the full reconstruction a requirement of the rail regulator and the fact that you had to pull up every sleeper and replace every bridge? Why did you do that? What was the reason?

Mr WHELAN - Because the bridges weren't there.

CHAIR - What about the sleepers? You have replaced every sleeper.

Mr WHELAN - Because they weren't there either.

CHAIR - So you had nothing?

Mr WHELAN - It effectively hadn't had a train run over this part of the railway for - I don't know, I am guessing - 30 years, a long time. In that period the whole rail corridor had become weed-infested. We had thousands and thousands of pine trees that needed to be removed, which was all done by the local community. We had the timber industry come in and do it all pro bono.

CHAIR - Okay, thank you.

Mr WHELAN - It is really hard to understand until you come out and I show it to you, then you will get it.

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Mr FARRELL - Brett, you mentioned your very wise governments over the years have not lifted railway lines, they have left them in situ. I imagine that is to do with an act of parliament or some protection. I think it is good management, whatever it is. Has there been pressure in Victoria to lift lines for bike trails? Has that lobbying occurred in your state?

Mr WHELAN - As far as I know, there has been not once piece of rail lifted that was fit for use or had another purpose, in other words, that could be used for a tourism and heritage railway or could be used as a suburban line or for a freight railway.

There are lines that have certainly been disused for some time and that might not have had a train run on them for 40 years. There was no reason for that to stay in place and there has been a bike trail put on it then, but that is after a very long period of time.

Rail Trails Victoria - I think it might be Rail Trails Australia - has always mandated that if there was a railway that needed to go back down, the bike trail would remove itself immediately. You can put a bike trail anywhere but you can't put a railway anywhere. That is their philosophy, which is without fail.

Mr ARMSTRONG - Tomorrow you will close because of unforeseen circumstances. Can you tell me what your unforeseen circumstances are tomorrow?

Mr WHELAN - We are closed tomorrow? I am not sure exactly but tomorrow we are closing for track work. That would be because we have had some hot weather. I am assuming it is because of that. There is a railworks crew on tomorrow. That happens with railways here and interstate too; when there are track issues, we need to maintain the railway. If it is not fit for purpose or if it is not safe, we will close it for a day or two to fix it. I am not totally on top of why we are shut tomorrow, but that one of the reasons why we close.

Mr ARMSTRONG - A bit further on your web site, it shows a picture on 23 March of your volunteers. You certainly have a big group of volunteers there on 23 March this year working at the Yarra Glen Station. It shows how many volunteers you have involved there. It is great. That was just a comment.

CHAIR - We have one last question.

Mr DEAN - On the volunteers, to follow that up, it has been suggested that volunteers in some of these organisations are all there for the beginning and for the first phases of it but that the volunteers then start to drop out and fall away. Have you found that with the Yarra Valley Railway?

Mr WHELAN - I'm not a very good example of that since I've been involved at the railways as a complete volunteer right from 2000 or straight after the bushfires, but the volunteering is just like [2.55.31 - breaking up] models get from that.

I guess it's no different to the general community. The railway has volunteers that have all different personalities and different ideals, just like any parts of the community. It has people who say they are going to do stuff and then they don't; you have people who are very enthused but don't have the skill sets; then you have people who with real ability and real fire-through. You see people come and go over the years, but the overall trend in volunteering for us - and I can only

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speaking for us at the Yarra Valley Railway - is that it has been growing. That shows in our volunteer hours.

Mr DEAN - Thank you, Brett.

CHAIR - Thank you, Brett, Tania Rattray has one quick question.

Ms RATTRAY - I have one last question, Brett. Do you think that the state government and the community itself have been as supportive of the Yarra Valley Railway program more so because of what you went through with the fires and they felt that was a way of bringing the community together and getting people into the community? Or do you think it probably would have happened anyway?

Mr WHELAN - Again, we didn't receive any funding from the bushfires. We were almost unable to because we were on state government land. The state government will know people that have been sued by different fire factions. We didn't receive any state government funding because of the bushfires. We might have received small grants like for the cleaning up of the fires - \$1000 and \$2000 - but there was no substantial funding above those sorts of numbers. The reason why there was a line in the sand, as I like to put it, was because of that opportunity. The community was looking for a reason to make something happen that was going to be of value into the future - commercially-added value, I guess - that would add to the profile of jobs, employment and things like that. That is where it really carried out.

In Victoria we have really clear examples of how much value it has in tourism. We are already carrying over a million people a year within the tourism and heritage sector. The government doesn't have to be too imaginative to think about what is going to happen if they invest their money into it.

CHAIR - Thank you, Brett, we really appreciate your taking the time to speak with us today. We hope to get to Victoria to catch up with you in a few weeks' time.

Thank you very much for your time today.

DISCUSSION CONCLUDED.

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DISCUSSION WITH Ms SUE McCARREY, NATIONAL RAIL SAFETY REGULATOR, AND Mr PETER CLEMENTS, PRINCIPAL RAIL SAFETY OFFICER, OFFICE OF THE RAIL REGULATOR, BY TELEPHONE.

CHAIR - Thank you. Please feel welcome to provide us with an overview of the rail regulator, after which members will ask their questions.

Ms McCARREY - Absolutely. As the rail safety regulator for Tasmania, as much as we possibly can, our job is to make sure that railway operators are meeting the requirements of the national rail safety laws. It is hard to give you a detailed answer of what that requires. Essentially, any rail operator must have a safety management system that demonstrates their capability or, in the legal sense, their competency and capacity to operate the railway they are operating. It is a different requirement for a very small tourist and heritage venture that might operate within a [3.02.48 p.m.] border, rather than a Sydney or Melbourne train or TasRail, which is a larger operation.

Our job is to make sure they have the safety systems and standards in place to operate the railway they wish to operate under the law. Peter is our key person in Tasmania, who has been working with the Tasmanian rail system for many years. He is very experienced in the Tasmanian railway system and he is very knowledgeable on the rail system there.

As with the issue you are looking at, any new operator coming into the market is required to apply to be accredited under the national law. They would have to approach us and that is when we need to determine if the infrastructure is at the standard it needs to be to run the operation they would like to run, whether they have the competency and capacity to do that. That is the really short summary but it might be better if I answer any questions from here.

CHAIR - Thank you. Would Peter like to make any comments?

Mr CLEMENTS - No, that is fine, thank you.

Ms RATTRAY - Peter, you know Tasmania. Do you know this section of rail under review? Have you been and looked at it?

Mr CLEMENTS - The answer is yes. I used to work for TasRail many years ago and I travelled along those lines. The last time I travelled the length of it was 2009, which was three years after the last full-sized train ran up there. I am aware of it. I am familiar with it and I am aware that it has been out of commission or unavailable since 2006.

Ms RATTRAY - Are you prepared to make any comment about what you saw in 2009, or is that something you would do as this unfolds?

Mr CLEMENTS - 2009 is a little while ago. The years go by very, very quickly.

Ms RATTRAY - It is about a decade.

Mr CLEMENTS - Yes, it is amazing how quickly it goes past. Any piece of rail infrastructure that has not been used and not been maintained for that length of time, we are getting to 13 or 14 years now, is going to have significant issues to be brought up to a standard

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that would be suitable to run anything on it. From what I saw in 2009, which was only three years after it saw its last train, it was already showing signs of significant decay. What has happened in the meantime? All I can say it is not getting any better when people are not maintaining it.

Ms McCARREY - Generally, in these situations, we tend to be rail people. I would love to see every railway line in Australia open and being used, but my word of warning would be not to underestimate the cost involved. As soon as you have bridges on a rail system - this has level crossings that need to have equipment replaced and not simply be upgraded because they were removed - I would love to see it operating, but do not underestimate the cost. When you are looking at proposals or cost proposals, please make sure the proposal has been looked at and written by a senior engineer with the appropriate qualifications to be doing so.

Ms RATTRAY - We heard from a representative of the Yarra Valley Railway group today. The gentleman suggested that volunteers have the capacity to put a railway line back in or upgrade it, whatever is necessary. Is that something you have seen in your time in this role?

Ms McCARREY - I will lead in and hand over to Peter. Yes, the tourist and heritage industry does rely greatly on its volunteer work force. You find the most successful operations have a mix of both a paid and volunteer work force. Whether they be a paid work force or a volunteer work force, they still need to demonstrate they have the competence and capacity. You still need to know you have engineers that know the track structure and the signalling system around level crossings. You need to know that you have that competency and capacity, whether they be paid or volunteer.

Mr CLEMENTS - The point I would add is that volunteers have a burst of enthusiasm and a lot of people get involved. When there is a realisation there is a lot of hard, physical, often manual labour involved, that enthusiasm tends to wane. The organisation has to look at bringing in contractors, for example, or other paid people to come and do the work that is necessary to maintain large amounts of infrastructure. What I see are the guys who have small, manageable pieces of infrastructure and they are okay with that amount. The minute they try to take on too much is where they get into strife.

Ms RATTRAY - Do you want to quantify small?

Mr CLEMENTS - I will give you a couple of examples in Tasmania, if you like. The Transport Museum at Glenorchy only has about 400 metres of track. You have the Sheffield, Redwater Creek Steam and Heritage Society has 1 kilometre. The Wee Georgie Wood around Tullah has 1 kilometre. They are the length of infrastructure that seems to be manageable. Anything beyond that tends to deteriorate.

Ms RATTRAY - Do you think that is because people may be deterred to visit a railway feature with only 1 kilometre of track?

Mr CLEMENTS - The reason is that a lot of infrastructure requires a lot of work. If you have 1 or 2 kilometres of track - the Don River Railway, for example, has 3 kilometres of track and they handle that quite nicely - that is manageable within the resources or for the competence or capacity of the organisation to handle. Beyond that, the competence and capacity to undertake maintenance of roads and massive infrastructure becomes less viable.

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Ms McCARREY - You will find, too, with tourist and heritage railways right across Australia, very few of them make reasonable profits that allow those profits to be put back into the work on those railway lines. There are a couple around that are particularly large and successful because of the location they are in, but the great majority don't make those sorts of profit levels and they do rely on either government funding to help run them - West Coast Wilderness Railway is an example of a successful tourist and heritage operation that still relies on government funding to keep it going. Those decisions are made by governments for the purpose of their tourist industry.

CHAIR - Thank you.

Mr FARRELL - Specifically in regard to the north-east line, TasRail take the position that if they were to haul freight out of the north-east, they would have to basically rip it all up and start all over again. Doesn't the option exist for lighter-load operation like it used to years ago, much like the Emu Bay line is a lighter-load line with lighter axle loads? Couldn't that be done with the north-east line, or have the regulations changed to the extent that you can't do that now?

Mr CLEMENTS - No, Craig. The whole regulatory regime is such that they do exactly what you propose there: that the infrastructure has to be safe and fit for purpose - my words - for whatever is proposed to be run. If you are going to run 120-kph trains then the infrastructure has to match that. If you are running trains at 40 kph then infrastructure spend is obviously going to be different to accommodate that.

Mr FARRELL - From that, would that mean the north-east line as it is would not be able to be repaired to its previous standard for freight operation? Would lighter-axle-load locomotives and rolling stock be allowed to run on it, or would it have to be upgraded to the equipment that TasRail currently has, bearing in mind they could also purchase lighter-load equipment if the need arose?

Mr CLEMENTS - That goes back to the point that Sue was making; whoever takes on the role as the rail infrastructure manager for this rail corridor will need to be able to demonstrate they have access to the engineering competence that says here is the track standard that we proposed that track will meet to run this particular type of rolling stock on it.

It is not for me to say here is [inaudible 3.13.32] for a particular standard. What the regulator has to be sure of is that there is the confidence, that is to say an engineer who says: here is the standard that says this track will be fit for running this type of rolling stock. The operator has to be very clear about the scope of the operation.

Mr FARRELL - I appreciate that. I wanted to clear up some of the stories going around that the track is not up to standard when it could be up to a different standard. I am pleased that you explained it.

Mr CLEMENTS - That is yet to be tested. Any proposal - it does not matter, whether it is TasRail coming in again or any other operator that proposes to take on that line, will be asked exactly the same question: how have you assured yourself that this track is safe and fit for purpose?

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Mr DEAN - I want to follow up a little in that area. There have been other people who have worked within the railway system all their lives and have walked that line. Their position is that it is in reasonable condition in many areas. We had a look at some areas ourselves. While I am no expert in this area, a lot of the corners had steel sleepers in them and they looked to be very intact. We looked at some of the bridges and they looked very much intact. What is your position in relation to those comments, Peter?

Ms McCARREY - I will start and then hand over to Pete. Absolutely, it is quite possible that on that railway line there are still some steel sleepers in good condition. Some of the rail might be in good condition, but in order to look particularly at things like bridge structures, the only people who have the confidence are people with experience, so structural engineers need to have a look at bridge structures. It would be a high-risk strategy to have someone who does not have that qualification and expertise to tick off a bridge that is going to have a passenger train running over the top of it.

Mr DEAN - We have had people walking the line who have worked in railways all their lives and I'd suspect have been involved in the maintenance programs as well. I would have thought, with the greatest respect to what you've just said, they must have some knowledge of what is necessary in the maintenance and upkeep of a railway line.

Mr CLEMENTS - I don't know exactly who you are talking about so it's hard to say what their particular competence is. They might be very competent people for all I know, but we have to make a distinction between people who were just doing the maintenance work as opposed to the engineers who were describing the standards that work has to be carried out to and the standard that is to be met.

You mention steel sleepers, for example, and that they look okay. There are many other things involved in a safe system of track, not just what the sleepers look like. There is the geometry of the track, for example; there is the ballast, there is the drainage, there is the formation, the underlying foundation, if you like; there is the vegetation, the rail condition itself, the fastenings, the joints - they are just the things that I can think of off the top of my head, over and above the condition of the sleepers.

Interestingly, when we talk to people, the sleepers seem to be the one thing that people will focus on. I guess that is the obvious thing to look at, but I hope I have just illustrated there are a number of other items which go through a system of track infrastructure.

The key first for the regulator is to say, is there an engineer that said these are the standards that the track must meet? That is the first question. The second question is, does that track meet that standard?

Mr DEAN - Right, okay. My other question is: you have talked about that the larger projects are the ones that seem to fall over, or where volunteers slacken off. I think you have referred to the smaller or shorter ones being quite successfully run. Where are all the examples of those longer ones that have fallen over?

Mr CLEMENTS - I think 'they have fallen over' is not quite what I was saying.

Mr DEAN - No, okay, if you could use your words then.

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Mr CLEMENTS - What I meant was that when you are relying on a volunteer workforce there is a lot enthusiasm initially. Then what tends to happen after that is, once the initial enthusiasm wears off, the hard, manual labour is less attractive and people have the ultimate aim of wanting to drive the train on the track. That is their area of focus but the enthusiasm to do the hard physical labour tends to drift off. That is what I meant.

To follow up on that, on a short section of track, when you have a short burst of enthusiasm, that is manageable. If you have a lot of infrastructure to manage, when the enthusiasm expires, if you like, then you have remaining issues that aren't addressed.

Mr DEAN - My question from that is, can you give me some examples of where, say, a larger line - a heritage railway - has not been able to operate effectively because of volunteers pulling out, not wanting to continue on?

Mr CLEMENTS - There is one example in Tasmania I can give you and that is the Ida Bay Railway down at Lune River, which has 7 kilometres of track but they have suffered from lack of resources over a long time. The maintenance just simply hasn't caught up with the deterioration of the track to the point where, unfortunately, we had to act to stop them operating in the latter half of last year.

Mr ARMSTRONG - Yes, I know it well. Is the South Gippsland Railway one that has struggled with a lot of track, as it has ceased operating?

Mr CLEMENTS - I cannot help you with that -

Mr ARMSTRONG - Sorry, was the rail regulator involved in that rail?

Ms McCARREY - Confidentiality requirements in the law require I should not be discussing the individual operators and what may have gone right or wrong. I would have to gain some information on the particular railway and what occurred.

Mr ARMSTRONG - Thank you.

CHAIR - On the individual confidentiality, we have walked the rail and heard from Peter looking at the rail depends on who is looking at it; whether you are a structural engineer. I accept if you are giving accreditation you need someone qualified to actually sign off on certain aspects of the rail. This is probably to Peter: do you from time to time go out with groups, such as our committee, who are looking at the feasibility of such rail, to actually look at it. As you have not been there since 2009, would you be prepared to have a look? Obviously, it is not going to be for the accreditation, but to give an idea of what might be required, or is this something you don't do?

Mr CLEMENTS - As part of my job, I do my turn of inspections of operators. Part of this can be to look at their rolling stock, the condition of the track, management systems and the competency of the people. So, part of my job is to look at the nature of the railway at the infrastructure. But, because I am not a qualified engineer, I do not offer specific advice. All I do is form a general opinion, in my view, as to whether or not the asset is being well maintained, well managed or not. If I need specific, competent engineering advice, then I will bring in engineering expertise which the regulator has available.

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CHAIR - So the committee can have an understanding, would you willing to come with the committee to have a look at this? We are hearing a variety of different opinions to do with the tracks. We have to form a report looking at the feasibility of whether or not it is likely. If we were to write to you, would you make the time to come and have a look at some of the track with us?

Ms McCARREY - I am not independent to say yes, we will make sure we have some resources available to you and we will also make sure a structural engineer accompanies Peter.

CHAIR - That would be great and good for the train people to know what is required and what is the standard of the track. I appreciate that and we will certainly send a written request.

Mr DEAN - Peter, you said you walked the track in 2009 or part of it?

Mr CLEMENTS - Yes, it was 2009. I travelled on road rail vehicle.

Mr DEAN - Have you been asked to assess the track in any way by the Dorset Council?

Mr CLEMENTS - No, I categorically say no.

Mr DEAN - So 2009 was the time you were there, right?

Mr CLEMENTS - That is right.

Mr DEAN - The position you have given us on the condition of the track is simply your personal view and as you have said, you are not an engineer.

Mr CLEMENTS - That is right. It is my observation at the time in 2009. I am not an engineer but have been involved in the railway since 1992 and in this job ironically, since 2009.

Ms McCARREY - We will also make sure we have an engineer available. While Pete has that historical knowledge of that particular TasRail system and that particular line, we will make sure there is an engineer available to accompany you on the visit.

CHAIR - That would be very good, thank you.

Mr FARRELL - To clarify Sue and Peter, if the track is removed on that railway line and the corridor is handed over to the Dorset Council to manage as a bike track, then obviously, the rail regulator will have nothing more to do with that stretch of land. You do not carry any responsibility?

Ms McCARREY - Absolutely. If parliament decides it is no longer to be a railway and it goes over to the council, then we no longer have anything to do with it as a National Rail Safety Regulator.

Mr FARRELL - In relation to the current structural integrity of the track, do you know if it is still being weed eradicated by high rail truck, or is this not being undertaken any more?

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Mr CLEMENTS - That is a question you would have to pose to TasRail.

Mr FARRELL - If they were using a truck on the track, does that come under your responsibility of track safety, or is it only for heavier vehicles?

Mr CLEMENTS - No, at the moment TasRail has the accreditation as the rail infrastructure manager for that line. Amongst other restrictions on the line, they can only operate those types of road/rail vehicles on what they call non-operational lines. I believe TasRail might have even put some further internal restrictions on the type of the vehicles there. That is up to them in line with their risk management responsibilities under the law.

Mr FARRELL - They say this is what we are operating and only using trucks and you manage your side of it accordingly.

Mr CLEMENTS - Their accreditation is limited on that line to operate a particular type of rolling stock, which are those road/rail vehicles. If they wish to put further restrictions on of their own volition, it is entirely up to them and we would expect them to, if they thought the circumstances warranted it.

Mr DEAN - There has been some discussion in relation to the tunnel at Tunnack. Would you like to make any comment on the structural integrity there?

Mr CLEMENTS - I cannot answer that. I am not a structural engineer. A structural engineer would have to comment on that. The last time I looked, it was like a river flowing through it and whether it is a structural problem or not, I do not know. It does not look good, but you would have to get a structural engineer to confirm whether it is a problem. The track has virtually a river running through and I have never seen that before.

CHAIR - There being no other questions, we thank you very much for taking the time today, Sue and Peter. We look forward to you accompanying us, to have a look at some of the tracks. It is much appreciated. Thank you very much for your time.

DISCUSSION CONCLUDED.

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DISCUSSION WITH **Mr DAMIAN McCROHAN**, PRESIDENT, RAILTRAILS AUS INC VIA TELEPHONE.

CHAIR - Thank you for calling in. Please feel free to provide us with a short overview, following which members will ask questions.

Mc McCROHAN - Thank you for the opportunity. I will give a brief introduction of ourselves, and to clarify that we have a foot in both camps. A lot of us are rail enthusiasts and started our junior lives in the rail industry and tourist railways. I am still involved, and another two on our committee are regular volunteers with Puffing Billy. We have some understanding of what is involved in working on tourist and heritage railways, and I am volunteering with another one near Wodonga this Easter. Being involved over many years, we have seen the effort to work on tourist railways and also the enjoyment of bike riding. Seeing how many railway lines were closed, Rail Trails Australia was formed about 23 years ago. I have been involved for about 23 years.

We see rail trails as a way of keeping some of that heritage from the railways that opened up our country and as providing a great community asset where people can connect. Local people can exercise, you can run events on the rail trails, and it brings in tourists as well. Rail Trails Australia has been involved from the start. We have been working with local communities all over Australia in advising them how to get a rail-trail process established. That takes many years, as everybody knows. We publicise rail trails on our website, guide books and social media, and encourage visitors to come and enjoy rail trails all around Australia. That is a brief introduction to ourselves.

CHAIR - That is fine, thank you.

Mr FARRELL - Damian, are you familiar with this piece of railway?

Mc McCROHAN - Yes, I have visited at least two times. The last was the start of 2017. We visited some of the corridor along the way to Scottsdale. We walked it the first time from Billycock down to the bottom of the hill, I have forgotten the name of it.

Mr FARRELL - Was it Tonganah?

Mc McCROHAN - Yes, Tonganah, that's it. We down from Billycock Hill all the way to Scottsdale. We also looked at a few locations along the way, such as Lilydale, and talked to a few people in Lilydale. It is not my backyard but I am aware of the scenery and we visited the tunnel.

Mr FARRELL - You say you have a foot in both camps, and there has been discussion of the destination and the highlights of that piece of line. One highlight is the tunnel and the rail people would like to think it will be used for rail and the cycle trail people would like to think it would be used as a bike tunnel. What are your views on that?

Mc McCROHAN - That is difficult. It would be ideal if there was a major town before the tunnel. We see the advantage, you have to have a destination, and having a rail trail linking Lilydale and Scottsdale as a destination at both ends, which is also great for the local communities. Right in the middle, toward the tunnel end, is a highlight for both parties. I imagine it is quite difficult to have a facility where rail and non-rail users can use the tunnel in the

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Australian environment. We would go back to what we put in our submission, and note the rail trail has funding and is a well-proven concept now. Unfortunately, heritage railways have a lot of costs and require a lot of volunteer time and we are a sceptical that it can be delivered in a timely manner.

Mr FARRELL - Have you had any discussions with the rail group that are proposing -

Mr McCROHAN - I haven't. I think another member of the committee did but couldn't be here today. We understand that they would like the more scenic section. I don't have a solution for that, other than I think the rail trail needs to connect towns. It cannot finish in the middle of nowhere. The other aspect is that having the train from Launceston would seem to make more sense, if you could probably get back to Launceston. It is quite scenic. My memory is it is quite scenic from Lilydale toward Launceston as well. It winds out of Lilydale and there are forests. There is no tunnel but there are certainly bridges and scenery, so that would seem to be a better way. That would allow you to connect back to Launceston as well.

Mr FARRELL - As far as the line goes, mid-point destinations have been suggested. Denison Gorge was originally opened as an attraction for rail travellers last century and the Bridestowe Lavender Estate, south of Nabowla, would be a destination to many people. Do you think it would be used by more people would catch a train, or do you think it is more of a destination for people riding a bike?

Mr McCROHAN - It would obviously appeal to both parties. You have other tourist railways in Tasmania. Generally, you would find that once people have been on one train that is probably enough for their holiday. If you are going to drive to Lilydale, you may as well keep driving to the lavender farm. You are going to have to catch a bus from Nabowla anyway, aren't you? I imagine the lavender farm is quite a way from the rail line. We visited when we were there. Bicycle tourists tend to stay a bit longer and they would be looking for other things, in our experience.

What we see on other rail trails are businesses opening up onto the rail trail and inviting people to come and stay. It is a great way to have a break. Some of the rail trails in Victoria have wineries and other restaurants that are putting dates onto the rail trail to try to attract people in. You would suspect that there would be more interest from the rail trail tourists.

Mr FARRELL - In Victoria, is the move to lift more existing railway lines for cycle trails or are they usually placed on long-disused rail corridors that do not have railway infrastructure?

Mr McCROHAN - Yes, the latter is correct. In Victoria, the rail lines were usually lifted quite quickly after they were closed. Most of the rail trails have not involved lifting of rails at all, but there is one. I don't know if you have heard of Leongatha in the Gippsland. They had a tourist railway running from Korumburra down to Leongatha until about three years ago. Unfortunately, that wasn't sustainable and they have closed down. The council is applying to build a rail trail from Leongatha up to Korumburra to Moyarra, which will involve lifting that rail line.

I guess there isn't that contention here because the rail lines have been closed for so long. There are a few locations in other states, mainly Victoria, where there is a rail line -it has probably pointed out in the reports - where there are rail and rail trails together, such as from Queenscliff to

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Drysdale and that works really well. There is another from Castlemaine up to Malvern but the terrain is different. Generally, you have to have a flat, wide corridor to have both. You cannot have cuttings and embankments, which is the signature of the north-east rail corridor. I hope that answers your question.

Mr FARRELL - Yes, that is good. I am framing questions to your experience in both areas. I was looking for the balance as to how this can be done in a way to satisfy more than it does now.

Mr McCROHAN - Yes, it is a difficult task. Is not the Lilydale back toward [TBC 3.58.02 p.m.] Junction scenic also? It merely doesn't have lavender farm. If you did catch a train, you have to catch that bus, there is nothing close by the rail line anyway. It is all a bit complicated.

Mr FARRELL - You could develop a bike path.

Mr McCROHAN - You could carry your bikes on the train up there, yes. In an ideal world, that would be great. Again, we come back to the enormous costs and time of rebuilding a railway line, running it and getting the volunteers to do it. In our report, there was a rail line from Lilydale to Healesville, which you probably would have heard of, the Healesville Sanctuary. It is a typical tourist spot and there is a tourist heritage railway there, the Yarra Valley Railway. They are rebuilding a line halfway back toward Lilydale, to Yarra Glen, and they have been going for 10 years.

We discussed it, we wanted to bring the rail trail from Lilydale to Yarra Glen to meet up with the tourist railway and then they run from there. We first met them in 1998 and it is now 2019, and they are still working hard, sometimes tens and hundreds of volunteers in their working bees. I think they had \$6 million to \$8 million in funding to do their 12 kilometres of track. Hopefully, they will finally get that done next year or the year after. It is very good news that in the last month we have come to a community agreement and the council has led a tender to start building the rail trail from Lilydale toward Yarra Glen. We should both get there at roughly the same time. That would be a great boost.

Mr FARRELL - That is a good point too, Damian. It would seem, from your point of view and conversations we have had with others during this inquiry, that to reach the point you have with some your combined rail trails in Victoria it has involved a reasonable amount of leadership from local government. Would it be true to say that is essential?

Mr McCROHAN - Definitely. The success of the rail trail or any local asset is dependent on the support of your local government.

Mr FARRELL - Thank you, Damian.

Mr McCROHAN - You have given me a thought, Craig. If you built the railway from Launceston to Lilydale, you could put your bikes on the train in Launceston and ride from Lilydale up to Scottsdale and up to Billycock Hill. It would be a great trip. I would do it, that's for sure.

Mr DEAN - Damian, have you spoken with the Dorset Council?

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Mr McCROHAN - Yes, I have met with the general CEO there a couple of times when I have visited and we are in support of what they are doing, basically. We don't set agendas. We support agendas that can work and the support of local government is essential. They have the funding and they have a plan that appears suitable. He is aware it's a tight budget but he seems to have a good plan to deliver it with that funding, if that's what you are asking.

Mr DEAN - No, I was asking you whether you had had discussions with council. I think you've mentioned to Craig you haven't had discussions with Heritage Rail, is that true?

Mr McCROHAN - No, we haven't, not officially.

Mr DEAN - You haven't done that.

Mr McCROHAN - It's a bit hard to find out who that person is, and we haven't really pushed a clear -

Mr DEAN - I thought they were fairly easy to find, Damian. There have been no problems with us. That is another issue for you.

Mr McCROHAN - I guess they are interested in the rail trail, yes.

Mr DEAN - You make this comment in your submission -

It is frustrating to see the construction and usage of clearly viable rail trails that will be of great benefit to the community being delayed by tourist railway proposals of questionable viability.

Are you absolutely satisfied that if this was a rail trail from Lilydale through to Scottsdale, it will see continued, high rates of use? What do you believe usage will be?

Mr McCROHAN - I can't give you numbers, but going on how many people are using the existing section, I would imagine there would be more because there would be more reason -

Mr DEAN - What section was that?

Mr McCROHAN - The Scottsdale to Billycock Hill section that is open now, as a guide.

Mr DEAN - Are there any figures available?

Mr McCROHAN - Only what we've heard, we don't have exact figures.

Mr DEAN - No, I asked for figures too. I thought you might have figures we didn't have.

Mr McCROHAN - No, unfortunately they don't have counts there and we're encouraging that. There are counters on about 10 rail trails in Victoria and one or two in Queensland now. I can't give a guarantee, but given the support from the council and based on experience everywhere else where you have a rail trail with the key points of a good rail trail - which is nice scenery, good destinations at each end and, being relatively close a large population centre like Launceston with an airport and that sort of thing, there would be no reason why you wouldn't get

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the same benefits that are being seen now in Victoria, Queensland and South Australia. Tomorrow, New South Wales is going to turn the sod on its first rail trail finally, so they will be starting to catch up.

It is a really scenic area there; you have plenty of attractions in the north-east. As you get longer rail trails it provides more reasons to come because it will take a day or two rather than just a day for the existing relatively short section. The biggest users of the rail trail, by number, are actually local people. It gives them a place to walk their dogs, take their kids for a walk, even for kids to ride to school. It has been a great boon for Lilydale and some of the little communities along the way.

Mr DEAN - Damian, on the rail trail, with the weather that we have here, can you see it being utilised to any great extent, say, during mid-winter? Are we going to see families walking the track, are we going to see bike riders riding the track through mid-winter and all those periods? How do you see that?

Mr McCROHAN - I would see there would be less visitation in winter weather. A rail trail is outdoors so you have the weather variables. Again, having seen people on the north-eastern Victorian rail trails in the middle of winter, they will still go and even in the middle of summer. I am not a hot-weather person but you see people riding the rail trails in 40 degrees. I am a fair-weather rider but visiting trails at all times of the year you still see people using them, though not as much in extreme weather. I would definitely say late spring, summer, autumn will be your peak seasons given the great weather you have there and it is a bit cooler than the mainland. You will have locals using it all year round. That is definitely the case.

Mr DEAN - You make the comment in the submission that the railway proposal is of questionable viability. In looking at the model that has been put forward by the Government - which is the model you are supporting - are you of the view that from, say, Turners Marsh through to Lilydale is going to be feasible for the heritage rail and that will be a good product? Is that what you believe?

Mr McCROHAN - As I was saying earlier on, some of the costs seem very optimistic when we say 'questionable viability'. I am sure, if they could build it, being close they could run trains from Launceston. That would be a great asset, but the costs seem very optimistic and the effort involved.

Mr DEAN - The infrastructure is already there.

Mr McCROHAN - It is already there at Yarra Glen, and it is true that you find, once you start, there are always things that pop up; they'll say 'What about this?' and 'What about that?'. I am not an expert. I just point out many examples around Australia where people start on this. There is the classic one at Beaudesert in Queensland where everything was there and is still there now, and now they just have to clear the grass and still, I think it was \$16 million later, they have no train. On the one in Yarra Glen there is no money wasted; they thought 15 years ago, the rail is already there, the sleepers are all there and we just to upgrade it a bit, but - I am just saying, based on experience it is the same with the Abt Railway and all that - although on the Abt Railway the rail wasn't there, but the costs seem to skyrocket. Also, being consulting engineers by profession we see how costs seem to skyrocket. We are talking big infrastructure items and level crossings. The biggest thing is, where are all your volunteers? I was involved in one in my

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teenage years; the volunteers come for a few weeks, a few months even, but where are you are going to get hundreds of volunteers from in that area? There are those sorts of questions about it. If you could build it and run it, I am sure it would be very popular, but it is just -

Mr DEAN - Can I cut you off here? The volunteers, we were told I think by - I am not quite sure who - but we have volunteers working on the rail trail between Billycock Hill and Tonganah, or at the Scottsdale end, and we are told that the volunteers working on that part keeping it clean and clear are dwindling, that there are problems there being confronted, and that is for a rail trail as well. Do you see that as an issue with the rail trail from Lilydale through to Scottsdale? Are volunteers going to look after that in any way, or is that going to be a council problem?

Mr McCROHAN - Well, I need to be careful here.

Mr DEAN - Yes, you need to be careful.

Mr McCROHAN - I think whether it is going to be done by volunteers is council's decision. It can work. The East Gippsland Rail Trail is 100 kilometres long and that is maintained by volunteers. There are a few other ones, but Rail Trail Australia's preference is that in the long term the council or local government is better placed to manage the day-to-day maintenance of the rail trail - clearing any fallen trees; if there is a flood or washaway you have to make some trail repairs. Then you have a volunteer 'friends' group that adds value to the rail trail with building amenities like rest areas and doing revegetation, and runs community events. That is our preferred model.

It is a strain for any volunteer group to maintain even something as simple as a rail trail. It is our observation that it would be preferable for the local government. In some states the state government provides funding that contributes to some of that ongoing maintenance. Councils are responsible for the full maintenance.

Mr DEAN - You are saying the council will be responsible for the full maintenance of a rail trail, with some funding from state government.

Mr McCROHAN - The councils are fully responsible for the funding, yes.

Mr DEAN - You have just raised what your preferred position would be. Would your preferred position be here the retention of the rail, because the condition of it is reasonable, and a bike rail trail next door to it? Would that be the best model, in your view?

Mr McCROHAN - If it is your land, yes, that would be great. If the terrain adjacent to the track was suitable for that, as it is, say, between Queenscliff and Drysdale, where you have very few cuttings and hills and no tunnels, that would be great because you ride along and you see the tourist train puffing back and forth.

But, from the couple of visits I have made, that doesn't appear to be practical on this corridor, unfortunately, and also the Lilydale and Castlemaine to Malvern, there is a trail beside the rail track the tourist train drive.

Mr ARMSTRONG - In your submission, you say one of the rail trails visited is in the Kingaroy trail in the South Burnett Shire, which opened a year ago and has a 45-kilometre rail

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trail. This is similar to the Scottsdale to Lilydale Falls length. Is this the ideal length for a rail trail? One of our witnesses said the longer the rail trail, the better. It links up with the Blue Derby area. Is there an ideal length for a rail trail? Is 42 kilometres long enough or should it be a longer or shorter?

Mr McCROHAN - Many groups do things in stages. At the present, 42 kilometres is an ideal length, because it is exactly the length from Lilydale to Warburton, which is the most popular rail trail in Australia, outside Melbourne. We have done that many times. By the end of the 40 kilometres, for the average slightly fit person like myself, you have had enough. As a family, we have taken the kids and by the end they have had enough. If you are a fitter person, who rides every week and rides many kilometres, you can do the return trip in a day. Some people ride to Lilydale, to Warburton, have lunch and then ride back the same day. It is not my cup of tea.

To throw a spanner in the works, you also have these e-bikes coming, which give far more range to people, especially in hills and that sort of thing. It is opening up rail trails to a wider cross-section of the people who may not have been able to dream of riding more than a few kilometres.

There are also shorter rail trails which people can do in half a day, 10 kilometres or 15 kilometres. People will adapt to the length. To me, 40 kilometres is an ideal day trip or two-day trip type distance, if that answers your question.

I don't know far you have ridden in a day.

Ms RATTRAY - When you mentioned the 42 kilometres was an ideal day trip, are you meaning they wouldn't stay overnight at Scottsdale, they would go back to where they came from?

Mr McCROHAN - Well, the average person like myself, I ride most days to the station here for work. For most people, 40 kilometres in a day is enough. We go to Lilydale, we go to Warburton, we stay the night there and ride back or whenever. It is the same from Wodonga to Tallangatta, we ride out, stay the night and ride back. When you are riding the Lilydale to Warburton trail you are riding out, people are zooming past you. You have lunch and the same people zoom back coming the other way, so they have been to Warburton, had lunch and have come back. For the average bike rider, 40 kilometres is what you want to ride in a day, but more fit people will ride 80 kilometres and do the full return in a day. Is that answering your question?

Ms RATTRAY - Yes, somewhat. It has been suggested a number of people from Launceston would ride this trail. If it is a 42-kilometre ride and they are of medium fitness - it will never be me because, I don't have any fitness - are not likely to stay in Scottsdale overnight. If you are expecting not only tourist visitors, but locals, is it going to have the either? I guess nobody knows, do they?

Mr McCROHAN - No. We live 10 kilometres from Lilydale and we are more than happy to ride up to Warburton and stay the night. We did not do it last year, but hoping to do it this Mother's Day, which is normally when go. We have family in Wodonga and we ride up to [inaudible] and stay the night there. It is a different feeling when you are riding. You see everything and stop along the way. If you have kids, they love to stop and have a look at things. I

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would imagine Launceston people would do that. They would ride out to Lilydale, but on average some of the fitter people would probably drive there, do half a day and may be ride out to the Lavender Farm or to Nabowla and, touch wood, find a café there. Cafes are the fuel of rail trail users and then fuel in petrol stations and will go down and ride back again. Maybe, some accommodation will be developed along the way. That is the whole aim of the developing economy. There are no definites, but my experience helps from the 80-odd decent length rail trails in Australia. Maybe you have taken it for granted, but the scenery down there is fantastic. There are many good places to get great photo shots to publicise it and I am sure it will be a real attraction.

Mr DEAN - Damian, I will put this position to you. You can construct a bike trail almost anywhere. I think you would agree with that. I am a bike rider myself and ride all over the place. I love my bike. You can construct a bike trail almost anywhere, but you cannot construct a heritage rail anywhere. You have to have the right terrain, right areas and so on for heritage rail. The north east line is in reasonable condition. Reasonable I am saying. There are other question marks around this.

Do you see tearing up of the railway line currently in situ is a good, sound sensible decision to make, when you can put bike and walking paths in other areas? To add to this, Tasmania has a number of bike and walking trails popping up now all over the place. At this present time, we have one being talked about in George Town and another from George Town into Launceston.

Do you see that as a sound decision to rip this line up for a bike/walking trail?

Mr McCROHAN - Can I answer in two parts? The first part is again, I am a bit biased but rail trails are different to any bike path, especially in terrain in the north east. They follow the railway line, so they are easily graded so people like Tania can have a hope of riding it without killing herself. That is one of the advantages as they follow the easiest gradient and they have also have the heritage. There are stations and a lot of the other rail trails have friends' groups who restore the stations, put up interpretive signs about the history of why the rail line was there originally. They are a bit different to a typical bike path. They are a much better greater attraction to them. There are rail people who look out for rail trails in their holidays. It is it not simply a bike path and a great thing for locals, because it connects the towns.

Getting back to the main part of your question about is it a good decision to rip up what appears to be a relatively solid rail line. It is very sad. We love railways and why I spent my junior years trying to keep a tourist railway line from Wodonga up to Cudgewa. There comes a time when the cost is simply too great. The evidence of huge costs to volunteers in keeping a big 3 foot line railway open is a huge cost in volunteers and a huge cost, money-wise.

I mentioned previously that New South Wales is finally turning their first site on their rail trails tomorrow because they haven't officially allowed the listing of any lines for the last 45 years. This line, the rail and the sleepers, have been sitting there, rotting away and being an eyesore for 45 years. You have lost all that money, which you could have recovered long ago to put back into the community. I feel that you don't want to see the same thing happen here, where it sits there and gathers rust and the sleepers rot or rust away. Half of them are steel, I think.

It looks solid, but all these costs seem to come out of the woodwork as soon as you want to start running a train. The regulator gets involved and starts doing inspections on level crossings,

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bridges and that sort of thing. It seems it is very painful to lift up a rail line, but it's great to see the history preserved and corridor to be used by the community with a rail trail rather than it sitting there rotting away.

I indirectly answered your question.

Mr DEAN - Yes, thank you.

CHAIR - Damian, are there any other comments you'd like to make?

Mr McCROHAN - No, I think I've been given a fair chance to express our thoughts on this vexing issue for you all. At the end of our submission, we wanted to highlight that the funding for the rail trail is in hand but it's going to run out soon. We would hope the committee acts promptly to make sure the community does not lose that funding.

CHAIR - Thank you very much, Damian. We really appreciate you taking the time to speak with us today and the time taken on your submission.

Mr McCROHAN - Thank you.

DISCUSSION CONCLUDED.