

# DERWENT VALLEY RAILWAY



DERWENT VALLEY RAILWAY INCORPORATED – ABN 61 868 683 773

Ms Jenny Leaman  
Inquiry Secretary  
Legislative Council  
Parliament House  
HOBART TAS 7000

29 July 2015

Dear Ms Leaman

I enclose a submission for the Legislative Council Inquiry into the Financial Sustainability of Tasrail.

The submission includes a copy of the Derwent Valley Railway's Business Plan.

Kind regards

Derek Jones  
Chairman  
Derwent Valley Railway



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## **The Derwent Valley Railway welcomes this opportunity to make a submission to the Legislative Council’s Inquiry into the Financial Sustainability of TasRail.**

We note that the terms of reference for this Inquiry include:

*“...The opportunities and barriers, social, economic and environmental benefits and the opportunity cost of foregone road infrastructure with regard to commuter and tourist passenger rail services..”*

We will confine our comments to this term of reference as our area of special expertise relates to the provision of tourist and heritage rail services.

### **Timeline of Tasmanian Main Line Operators**

1872 – 1978	Tasmanian Government Railways (TGR)
1978 – 2004	Australian National Railways (renamed Tasrail)
2004 – 2009	Pacific National
2009 – Present	Tasmanian Railways Pty Ltd (Trading as TasRail)

### **Our History**

The Derwent Valley Railway Inc. (DVR) has been in existence since 1990 and operated on the Derwent Valley Line and the wider Tasmanian Rail Network safely and profitably until 2005 when Pacific National withdrew access to the Network from all Tourist and Heritage operators..

### **Now**

During this period of non-operation on the Derwent Valley Line and the Tasmanian Network, the DVR has concentrated on:

- Maintaining its accreditation as a rail operator
- Rebuilding and restoring its locomotives and passenger carriages
- Maintaining and increasing its track-maintenance rolling stock
- Expanding its training capacity and training its workforce
- Ensuring its financial viability
- Undertaking discussions with TasRail, the Office of the National Rail Safety Regulator and other parties to ensure that DVR is well placed to return to the line
- Reorganising our internal structure to ensure that it has the capability to run a successful tourist rail operation
- Reinvigorating the board to present a modern outcomes-driven and skills-based board of management
- Creating partnerships within the community and business in the area, and
- Planning and developing an exceptional tourist railway that will cater for day trippers, music fans, specific interest groups, disabled passengers and those wishing to travel with canoes, fishing equipment and bicycles to a point of relevant access.
- Training our operational staff to Nationally accredited standards

Full details of what we are setting out to achieve is set out in our Business Plan (appended for information to this submission).



An integral prerequisite for our return to the rails is access to the Derwent Valley Line and we have been negotiating with Tasmanian Railways Pty Ltd (TasRail) to seek this access.

In TasRail's "Statement of Corporate Intent 2014/15 – 2017/18" the statement is made:-

*"TasRail is more than a business; it is a strategic piece of economic infrastructure owned by the Tasmanian Government, and the Company is acutely aware of the need to contribute to the broader economy"*

In this context Tasrail has contributed to the DVR, and through DVR to the Community, in the following ways:

**Tasrail donated** an obsolete and not traffic worthy 'EE' van to the DVR. This vehicle has been converted to provide isolated storage for hazardous materials.

**Tasrail donated** an obsolete and seriously rundown sleeper crane to the DVR. We have nearly completed a thorough refurbishment of this item and intend to put it back into service when we are granted access to the Derwent Valley Line.

**Tasrail donated** an old and run down Hi Rail truck. We have returned this vehicle to road-worthy condition, fitted it out with weed suppression and fire fighting capability and we are using the vehicle on a regular basis.

**After prolonged negotiations** Tasrail entered into a contract with the DVR to supply us with 10,000 used steel sleepers to assist us with our preparations for a return to full business operations by rebuilding the DVLine from New Norfolk to Plenty. We have discussed the need for a further 10,000 Pandrol sleepers to complete re-construction to National Park.

We appreciate that TasRail's core business is the provision of Intermodal Freight Services but not the provision of any sort of rail passenger services and that their insurance coverage is set appropriately to cover only those risks relevant to their core business.

We do not understand why TasRail appears so reluctant to surrender access to a portion of their network, (the Derwent Valley Line beyond Boyer), that they have never operated on and have never stated any intention to use.

TasRail's apparent desire to keep all options open is causing a significant road block to us bringing our plans to fruition and has restricted our options in raising finance to further our aims. Financial supporters are reticent to support our tourism potential without security of tenure on the workshops, rail yards and the Derwent Valley Line.

Both the Derwent Valley Council and the Derwent Valley Tourism Association have, in recent weeks, voted unanimously to support Derwent Valley Railway's return to operations and bolstering tourism in the Derwent Valley.

Our frustrations have ultimately led to us raising this issue with the responsible Minister.

We would be please to provide suitably qualified members to provide a personal interface with the Committee.

Signed on behalf of DVR

Derek Jones  
Chairman

