INLAND RAIL - A 2021 Perspective

Report prepared by community members from the Border to Gowrie and Calvert to Kagaru sections of the Inland Rail.

INTRODUCTION

Extensive research by Community groups, Business groups and evidence produced by submissions to the Senate enquiry into the Management of the Inland Rail project by the Australian Rail Track Corporation and the Commonwealth Government, has unearthed numerous issues and anomalies with the project.

This Summary of Concerns is in three parts:

a) Summary of Concerns with Contents (hyperlinked to detailed arguments and evidence) and Recommendations

b) Detailed Arguments and Evidence

c) Attachment: Alternative Route Options

SECTION ONE SUMMARY OF CONCERNS AND RECOMMENDATIONS

Business Case

We believe that evidence to date has focused on the delivery of the Inland Rail, however there has been no scrutiny of the accuracy or relevancy of the 2015 Business Case. There has been no due diligence in validating the content and data of the original Business case against realistic 2021 cost projections and the ground-truthing of the claims made. Examples include:

1. Budget Overruns
2. Investment Flaws –
    a) Favourable but unjustified discount rates
    b) Further costs and expenses are not included in the project costings
    c) Freight volume flaws
    d) Service offering flaws
    e) Route traverses many residential areas with high density occupancy.
    f) Difficult terrain east of T'wba means extensive/expensive earthworks
3. Failure to recognise Integrated/Inter-capital Freight System rather than a stand-alone rail solution.
4. Rail transport alone has serious limitations, namely:
    a) Capital outlay
    b) Lack of flexibility
    c) Lack of 'door to door' service.

The Business Case needs an Independent Review including validated data, confirmation of freight prospects, current budget allocations and best freight system.

Proposed Service Offerings and Solutions

1. The most efficient freight system in Queensland is a rail/road combination.

Inland Rail should not be considered in isolation of other freight modes but should be considered as an integrated part of the freight system.

2. Serious limitations of Current proposal
    A. Acacia Ridge
    B. Port of Brisbane
    C. Wellcamp
    D. Bromelton

3. Route Comparison and Delivery Options

There are currently four potential route options, three of which are viable and the current one which should be discarded. The three alternative options are:

A. Melbourne to Gladstone via Miles (Submission 1 and 203, 211)
B. Melbourne to Oakey to Brisbane and Gladstone
C. Warwick to Brisbane

These Route options are described in detail in the Attachment.

4. Existing Transport Corridors.
    - Major road networks providing heavy vehicle access to POB, Brisbane Region and surrounding LGA's of SEQ already exist or are proposed.

    - Sections of some roads eg construction of the Toowoomba bypass on the Warrego Highway have already been built or upgraded.
      Proposed Western Ipswich Bypass provides a link between Warrego and Cunningham Highways and provides easy access to Centenary Hwy, Logan Motorway and therefore Gateway and M1 motorways.

    - Major industrial areas between Brisbane and Ipswich, Yatala to the south, Port of Brisbane and the industrial areas north of Brisbane are located on these existing Highway networks.

    - These routes provide numerous options for delivery of freight to SEQ from an interstate terminal and rail link such as Inland Rail should it initially terminate in either Toowoomba or Oakey.

    By accessing a number of routes, the freight load on one particular route is eased, less road congestion and quicker delivery to destination.

    See diagram and map of existing road networks page 17.

RECOMMENDATIONS

This report provides the following recommendations:

1. It is recommended that **this Business Case be re-visited with validated, current data on freight prospects and additional budget allocations.**
2. It is recommended **that a holistic approach be taken to freight delivery rather than a single mode approach.** The delivery of freight should encompass the whole of the supply chain. The best combinations and modes of available transport solutions should be identified to enhance the service offering.
3. It is recommended **that route and destination of Inland Rail be reconsidered in the light of the updated Business Case** from Recommendation 1 **and the desire to select the best transport combination to meet customer needs** as identified in Recommendation 2. It is envisaged that this review will result in the serious consideration of a terminal at Oakey with delivery of goods to Brisbane and elsewhere by existing QR lines and road transport.
4. It is recommended **that the Environmental Impact Statement (EIS) process for Gowrie to Kagaru be discontinued** and the budget for this activity be allocated to finalising the EIS for the Forestry to Oakey line. As the EIS has not been approved for any sections in Queensland, now is the appropriate time to select a superior route for Inland Rail.

SECTION TWO DETAILED ARGUMENTS AND EVIDENCE

A. Business Case

ARTC's management of the Inland Rail project has in some instances been deficit and has led to the identification of a number of issues, which are explored below:

1.Budget Overruns

From an initial cost projection in 2008 of $4.8 billion to the 2015 Business case of $9.6 billion, plus the additional contribution from the Federal Government in 2019 of $5.5 billion, the current budget for this project is now $15.1 billion.

This does not include the monetary requirements for the PPP section from Gowrie to Acacia Ridge, including the Toowoomba Range tunnel. This section will be delivered by a Public Private Partnership (PPP) and on ARTC's own admission, will be 35% of the overall cost of the project. In addition, ARTC stated at the Senate Estimates hearing in Canberra on the 22nd March 2020 that additional funds from ARTC would be required for the project.

"In addition to the government's equity injection, there's a portion that is private, through the PPP section, which is the area that you were just talking about. Then there's also expected to be a contribution from ARTC." **Mr Mark Campbell, Chief Executive Officer and Managing Director**

This is an increase of at least 215% in 11 years and the budget has not been updated since 2019.

Current indications are that the budget for the Inland Rail will continue to grow significantly higher than was initially proposed.

2.Investment Flaws

The 2015 Business Case was developed, with what appears to be a predetermined outcome of making the project viable. The business case has a significant number of flaws which have been exposed during the inquiry. A summary of these follows:

a) Favourable but unjustified discount rates

i) The most significant of these flaws was not to utilise industry standards in undertaking the benefit cost ratio analysis. Infrastructure Australia provides that a 7% discount rate is the most appropriate figure to use when assessing major projects. In the case of the Inland Rail business case, a 4% discount rate was used and as a consequence gave the false impression that the project may cover operational costs (not capital costs) by 2050 with a BCA of 1.1 at the investment figure of $9.7 billion.

ii) The Business Case states that the project will take 35 years to break even. However, this is against the cost estimate of $9.6 billion. An additional $5 billion has been added to the budget of the Inland Rail, but in response to questions at Senate estimates, ARTC claimed that the 35-year period still holds. This is claimed even though the Business Case is clearly superseded. Note also that the current budget does not include the section from Toowoomba (including an estimated $6 billion for the tunnel) to Acacia Ridge as this will be funded by a Public Private Partnership. Clearly this adds over $11b to the total cost.

iii) Very importantly the BCA fails to take into account the externality costs of the loss of business, particularly agricultural and tourist along the route.

iv) Finally, the expenses of the connection from Acacia Ridge to Port of Brisbane, which will be considerable, are not considered part of the cost of this infrastructure project.

Infrastructure Australia (IA) has also identified a number of risks which could impact on the economic viability of the project. IA stated that "factors such as a decrease in demand for Australia's coal exports, weak oil prices, reduced demand for interstate freight, and upgrades to the Newell Highway, could adversely impact the economic case for Inland Rail."

b) Costs and expenses are not included in the project costings

The business case excludes the following costs:

i) it excludes financing costs – that is the interest on the money the government must borrow to pay for Inland Rail;
ii) it excludes the cost to upgrade the necessary sections of the West Moreton (Toowoomba to Charleville) line. The business case says this upgrade is necessary so the QLD coal can travel on Inland Rail. The business case says this is the only way Inland Rail will make any profit. The West Moreton line needs to be upgraded to allow coal trains to increase from 600m to 1010m;
iii) the $9.6 B budget excludes any terminals or intermodal hubs;
iv) it excludes proper budgeting for land acquisition;
v) it excludes any costs for removal, replacement and rebuilding of disrupted existing infrastructure such as roads, water pipelines, sewage treatment plants, diversions to existing train lines and lengthening of existing train stations;
vi) the $9.6B excludes passing loops allowing for 3600m trains;
vii) it excludes offset costs for environmental offsets.

c) Freight volume flaws

ARTC appear to have misled the government with their initial 2015 Inland Rail Program Business Case by overstating the returns to be achieved from coal freight.

This Business Case bolsters the freight volumes for certain commodities, most significantly that of coal. The viability of Inland Rail is based on 25% of its freight being coal. Further investigation reveals that this coal is currently taken to the Brisbane port from Western Queensland. The Business Case states that NSW coal will continue to be exported on the current NSW rail paths, and therefore will not utilise Inland Rail.

ARTC has stated that the Inland Rail will transport 19.5 million tonnes of coal.

However, this is **not physically or legislatively possible** due to the following factors:

There is a limit of 87 coal train paths in place for Brisbane and 27 other freight train paths. This is a total of 114 train paths per week. ARTC does not suggest in the Business Case that this number will be increased. This number is set by the Queensland Government and there are no plans for this to change.

- The Inland Rail can only operate for 19 hours a day and would need to compete with existing freight rail services. In addition, the Port of Brisbane is only open to unload trains for 49 hours a week.
- The volume of coal cannot increase as the passing loops at Kingsthorpe and Fisherman's Island only allow for 673.5m long trains.

- Only 10 million tonnes of coal are permitted to travel through Brisbane, making the 19.5 million tonnes claimed by ARTC in the Inland Rail Business case impossible to be freighted.

The Inland Rail is not more efficient for coal exports:

- The Inland Rail route is 58km longer than the existing West Moreton line and coal trains will need to compete with all other freight trains.
- The speed of trains is set to a maximum of 80km/hr by QR on this section independent of which rail line is used. Note: At no stage have ARTC overlaid State Legislation i.e. speed limitations on their transit time estimations.
- The coal reserves freighted on the existing West Moreton System and claimed by ARTC for the Inland Rail Business case, run out in 2029 and 2038. The coal reserves will be reduced to 2.1 million tonnes prior to Inland Rail being built if the rail is not operational until 2029.
- ARTC has proposed a discount on coal freight to support the viability of the business case.
- The business case is based on 19.5 million tonnes of coal. If, as pointed out above, the coal is 2.1 million tonnes the profit should be $104 M a reduction of $864,000,000. This would bring into question the profitability of the whole line.
- The Brisbane rail network will not support double stacked trains through an electrified network

d) Service offering flaws

ARTC claims that freight will be delivered between Melbourne and Brisbane in 24 Hours. This transit time has been the only reason given to communities along the route for no consideration of an alternative, superior route. ARTC have not provided any freight study to prove this 24hr time frame is necessary, nor have they produced a timetable proving they can meet this criterion.
However, the 24hour transit time claimed in the business case has been dispelled by ARTC's own working paper. Working Paper Number 2 Review of Route Options produced by consultants for ARTC says that the quickest time the Inland Rail can travel between Melbourne and Brisbane is 30 hours and 30 minutes.

In addition, CSIRO were commissioned to produce a supply chain mapping report (see below) to support Inland Rail which shows in the table below that the fastest freight can get between Melbourne and Brisbane is 38.36 hrs.

Table 13 Comparison of average travel times, not including loading and unloading times or driver stops

		Road only		Road and Inland Rail	
Route Queensland[A] to/from	Commodity	Av Distance (km)	Av Travel time (hrs)	Av Distance (km)	Av Travel time (hrs)
Parkes	Horticulture	1710	20.86	1693	22.26
	Post-processed food[B]	1835	22.43	1785	23.10
Adelaide	Horticulture	3080	35.56	3197	49.54
	Post-processed food				
Melbourne	Horticulture	2730	33.38	2916	38.36
	Post-processed food	2156	25.92	2516	32.33

Notes: A. All of Queensland, i.e. the travel times shown are unrelated to the Inland Rail service offering of less than 24 hours between Melbourne and Brisbane. B. Post-processed food is agriculture only

g) Route passes through most densely populated areas of SEQ thus causing serious impact and inconvenience to the greatest number of residents and financial implications for the project.
h) Topography of the region east of Toowoomba requires extensive and expensive earth works to allow construction of a high speed, heavy freight rail line. Proposed Gowrie to Kagaru construction reported to cost 30% of overall budget.

3. **Failure to recognise Integrated/Inter-capital Freight System rather than a stand-alone rail solution**

Inland Rail should not be considered in isolation of other freight modes but should be considered as part of an integrated freight system.

4. **Railway Transport alone has some serious limitations:**

a) Capital Outlay:
The railway requires a large investment of capital. The cost of construction, maintenance and overhead expenses are very high as compared to other modes of transport. Moreover, the investments are specific and immobile. In case the traffic is not sufficient, the investments may mean wastage of huge resources.

b) **Lack of Flexibility**:
Another disadvantage of railway transport is its inflexibility. Its routes and timings cannot be adjusted to individual requirements.

c) **Lack of Door-to-Door Service**:
Rail transport cannot provide door-to-door service as it is tied to a particular track. Intermediate loading or unloading involves greater cost, more wear and tear and wastage of time.

B. PROPOSED SERVICE OFFERING AND SOLUTIONS.

1. The most efficient freight system in Queensland is a road plus rail combination.

In order to meet the time, reliability and customer expectations, the most efficient freight combination and the route selected for the Inland Rail needs to be considered.

If the requirement is to have freight from Melbourne to Brisbane in 24 hours, the solution to this should have been a combined freight model. There are four significant freight systems: rail, road, sea and air.

Table 1 Freight Mode Dependencies

Freight Mode	Dependencies on Other Freight Modes
Rail	Dependent on road transport to load and unload. Cannot be directly loaded to sea transport at either Melbourne or Brisbane ports. Needs loading terminals along the route.
Road	Not dependent on other modes. Can deliver door to door without support. Terminals not required
Sea	Dependent on road transport
Air	Dependent on road transport. Little connection with sea or rail as bulk commodities are not transported by air. Both air and freight terminals required.

Given these dependencies, the most efficient multimodal transport system should have been considered in the Business Case, not a singular rail line with no connections for loading or unloading. The decision on Inland Rail routes should be based on the fastest freight mode for the destination. This would result in a combination of freight systems to provide efficient and effective delivery of freight.

The Bureau of Infrastructure, Transport and Regional Economies Research Report 139, "Why short haul intermodal services succeed", provides the distance over which rail container freight becomes viable – this distance is any distance greater than 350 kms. The analysis is below:

"Sweet Spot distance estimates

There are various citations for the "Sweet Spot" line-haul distance, ranging from 320 kilometres through to 1 500 kilometres. For example, the Inter-State Commission (Australia) cited a 350-kilometre minimum distance for shifting containers (Inter-State Commission 1987, p. 61). Similarly, in 1988 Virginia Port Authority was a pioneer of inland ports in the USA, with an inland port at Front Royal (Virginia), operating shuttle trains between that terminal and the Port of Virginia; the rail distance is "just long enough to hit the 200-mile (320 kilometres) sweet spot needed to give rail an advantage over trucking". (Payne 2013, p. n/a) Other suggestions have been that intermodal is viable once the line-haul length approaches 800 miles (1280 kilometres) or longer. (Prince 2012, p. n/a)":

By applying this scientific research, it becomes apparent that Goondiwindi would be the most efficient and cost-effective terminal for Inland Rail, with the second most efficient and cost-effective terminal being Toowoomba. The table below provides the distances and the combination of transport mode that will provide the most productivity.

Table 2 Freight Productivity Combinations

Section	Distance (km)	Best Mode	Secondary Option	Supporting evidence for Best Mode	Service Offering Melbourne to Brisbane
Current Route Melbourne to Brisbane	1727				Average 35.35 hr* 1727 km
Current Coastal Route Melbourne to Brisbane via Sydney	1868	Rail			32 hr ** 1868 km
Parkes - Goondiwindi	644.9	Rail	Road	Distance, transit time,	
Goondiwindi to Port of Brisbane		Rail		437 km by proposed Inland Rail line	6 hrs
Goondiwindi to Port of Brisbane		Road		369.6 km	4.18 hours POB Acacia Ridge 4 hours
Goondiwindi to Toowoomba (Oakey) Toowoomba (Oakey) to Brisbane	216	Rail	Rail - Parkes to Oakey terminus 860.9 km **Road** to Brisbane	Distance, local distribution in Oakey, road freight to Brisbane	2.50 hr rail to Oakey, 1.49 hr Oakey to POB Total **3.39 hr**
Toowoomba to Gladstone		Rail			
Goondiwindi to Gladstone		Rail			

- Source: CSIRO Supply Chain Report
- Source: ARTC "Using Inland Rail"

The evidence provided in Table 2 shows that the most efficient freight system in Queensland is a rail plus road combination.

2. Serious limitations of current proposal

a) Acacia Ridge Constraints:

The Business Case failed to investigate the properties of the Acacia Ridge interstate terminal which is site-constrained. As the Acacia Ridge Terminal can only cater for a maximum of 1500 metre, the Inland Rail 1800 metre reference train will not fit without breaking the train into shorter 900 metre wagon rakes for loading/unloading. The half century old 83 ha site

- is too small,
- awkwardly laid out,
- encroaching on pre-existing industrial, commercial and residential development,
- has limited opportunity to lay down new track,
- does not have adequate container storage space,
- has significant truck congestion resulting in rat-running through surrounding suburbs.
- big logistics users have already left the site due to these constraints.
- Acacia Ridge is operated by Pacific National which may constrain competition.

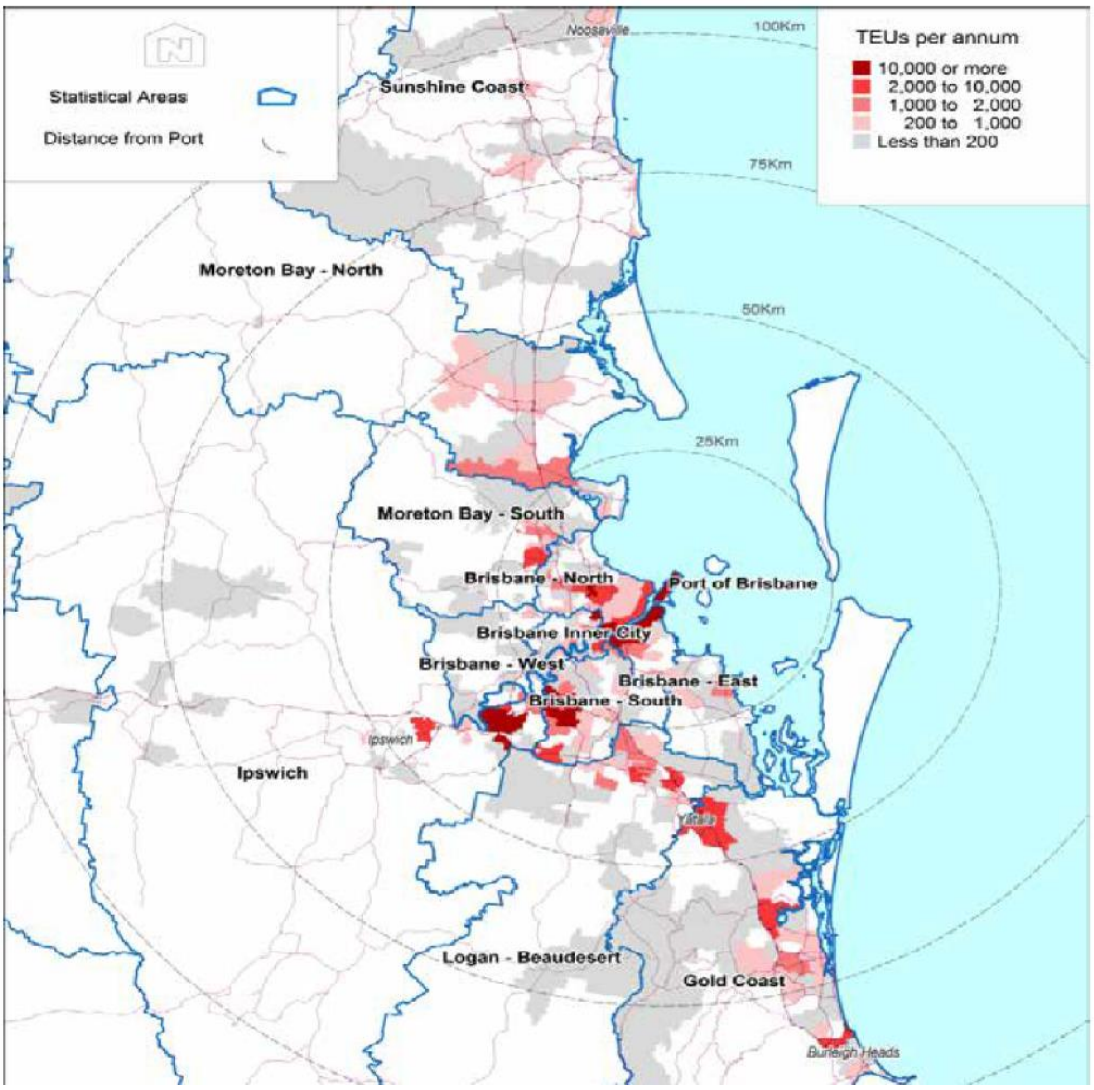
- Acacia Ridge requires all containers to be trucked through the most populated area of Brisbane.
- The Port of Brisbane does not have rail to ship.
- All containers have to be unloaded and moved to the ship for loading.

b) Port of Brisbane Logistics

"An Import/Export Logistics Chain Study, commissioned by Port of Brisbane indicated 90% of imports are unpacked within 100km of the Port of Brisbane and 75% of exports are packed within 100 km of the Port of Brisbane.[1] This indicates that there is no demonstrated requirement for Inland Rail to enter SEQ**. Rail is not able to compete with road over shorter distances.**

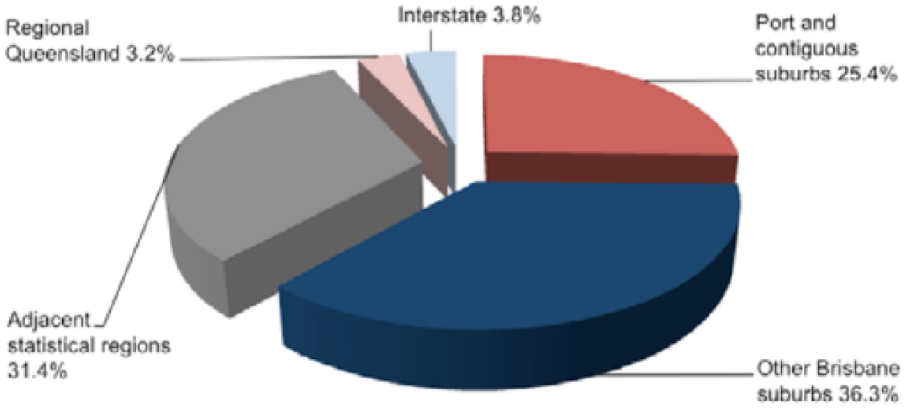
Independently, Inland Rail will not resolve any perceived freight transport problems in SEQ. Import Container Destinations

Figure 7 Import container destinations — Brisbane and adjacent statistical regions[1]



[1] PORT OF BRISBANE RESPONSE TO THE INQUIRY INTO NATIONAL FREIGHT SUPPLY CHAIN PRIORITIES

Figure 5 Full import container destinations



Export Container Origins

Figure 10 Export container origins — Brisbane and adjacent statistical regions[1]

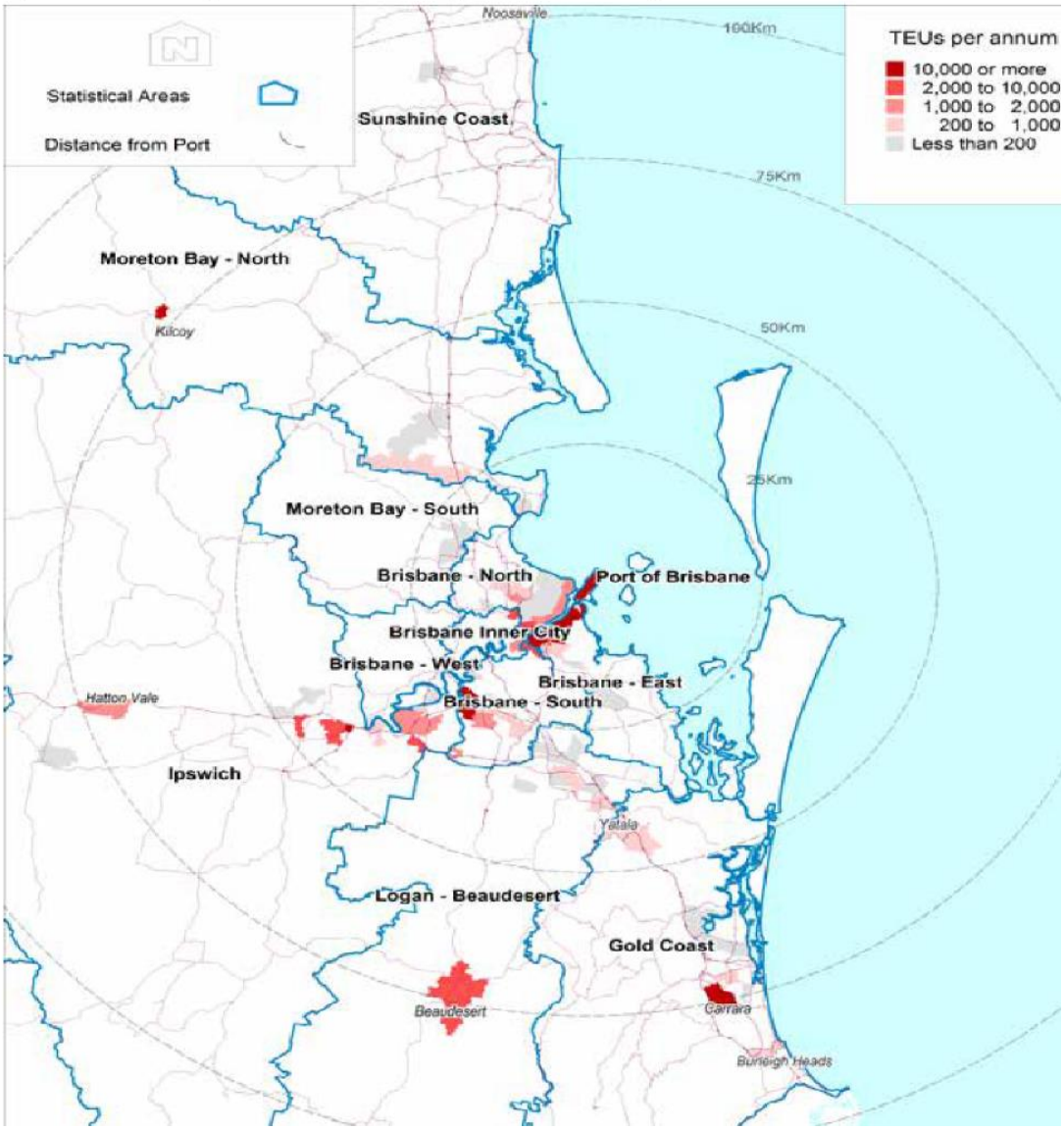
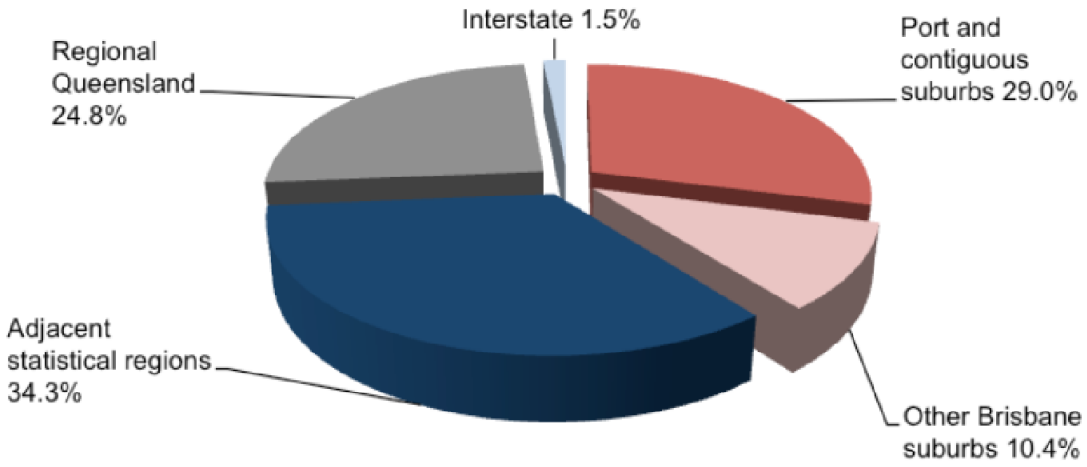


Figure 8 Full export container origins



c) Wellcamp Airport Diversion

ARTC produced an addendum to the Business Case in 2017 Corridor Options Report, diverting from the selected route that the Business Case had been based on, to the Wellcamp airport. A report produced by the "Inland Rail Implementation Group" in 2015 found that "Airfreight is not a viable standalone alternative for Inland Rail as it has a limited role in the transport task of bulk and heavy goods". This report goes on to suggest that there is no relationship between air freight and rail freight.

Data available on the web states that the current annual freight volume from the Brisbane West Wellcamp Airport is circa 600 tonnes. A single rail freight container carries approx. 26 tonnes, therefore the deviation via the airport would be for 23 containers per annum or less than 0.02% of the freight volume to be carried by the Inland Rail. This volume of freight does not seem significant enough to support the additional costs of the deviation.

d) Bromelton

As a site for an Intermodal Rail terminal, Bromelton is poorly located.

While there is access to 2 rail corridors – the proposed Inland Rail and the current Standard Gauge line to Sydney, much of the area does not allow for the construction of large warehousing and transport services due to the following:

- The eastern boundary of the Bromelton State Development area follows the Logan River and its floodplain making it unsuitable for building.
- Of the 15,610 ha of the SDA, only approx. 600 ha has been identified in the Development Scheme for heavy rail-oriented industry. The remainder consists of an area around the heavy industry zone, the Transition Zone, designed to separate the heavy industries from commercial and residential areas both within and outside the Bromelton SDA – areas such as the huge residential development of Flagstone to the north (30 000 + residents) and Beaudesert township to the east. Smaller industrial and commercial operations and intensive agricultural industries such as poultry sheds are permitted in this zone. The remainder is identified as a Rural Zone – Bromelton Countryside – for agriculture and less intensive rural interests such as horse studs etc.

- Of the 600 hectares available for intermodal development, much is already occupied by heavy or noxious industry – quarries, fertilizer plants, the Beaudesert Town refuse dump and the SCT intermodal terminal.
- The most significant drawback to Bromelton as an intermodal terminal is the transport corridor required to take the unloaded goods to either the Port of Brisbane or to local markets in SEQ.

  The only access is the Mt Lindesay Hwy which runs to Beaudesert and not to Bromelton. A new road (at least 15km), by-passing Beaudesert and designed to carry heavy transport will be required. As this will traverse the Logan River floodplain for a considerable distance, it will need to be elevated on bridges for much of the distance.

  The Mt Lindesay Hwy is at capacity, highly congested, and is only dual carriageway as far south as the Logan R at Macleans Bridge.

  In order to transport goods from Bromelton to the southwest and western areas of SEQ, trucks using the Mt Lindesay Hwy will need to travel north, pass through Acacia Ridge and outer western suburbs, already identified as unsuitable because of size limitations and traffic congestion.

In order for Bromelton to be an intermodal hub, a more direct route to the Port of Brisbane and to the areas north of Bromelton will need to be developed first - at a huge cost.

3.Route comparison and delivery options

There are currently four potential route options, three of which are viable and the current one which should be discarded. The three alternative options are:

A. Melbourne to Gladstone via Miles (Submission 1 and 203, 211)

B. Melbourne to Oakey to Brisbane (by road) and Gladstone

C. Warwick to Brisbane

Given the most efficient freight system is a combination of road and rail, the most appropriate route for inter-capital freight to SEQ needs to incorporate serious consideration of the ultimate freight destination and the road network.

Existing road systems need to be considered as well as future needs incorporating other uses e.g. road needs to accommodate Olympic events in 2032.

Detailed descriptions, maps and the advantages of each alternate route are given in the Attachment to this document

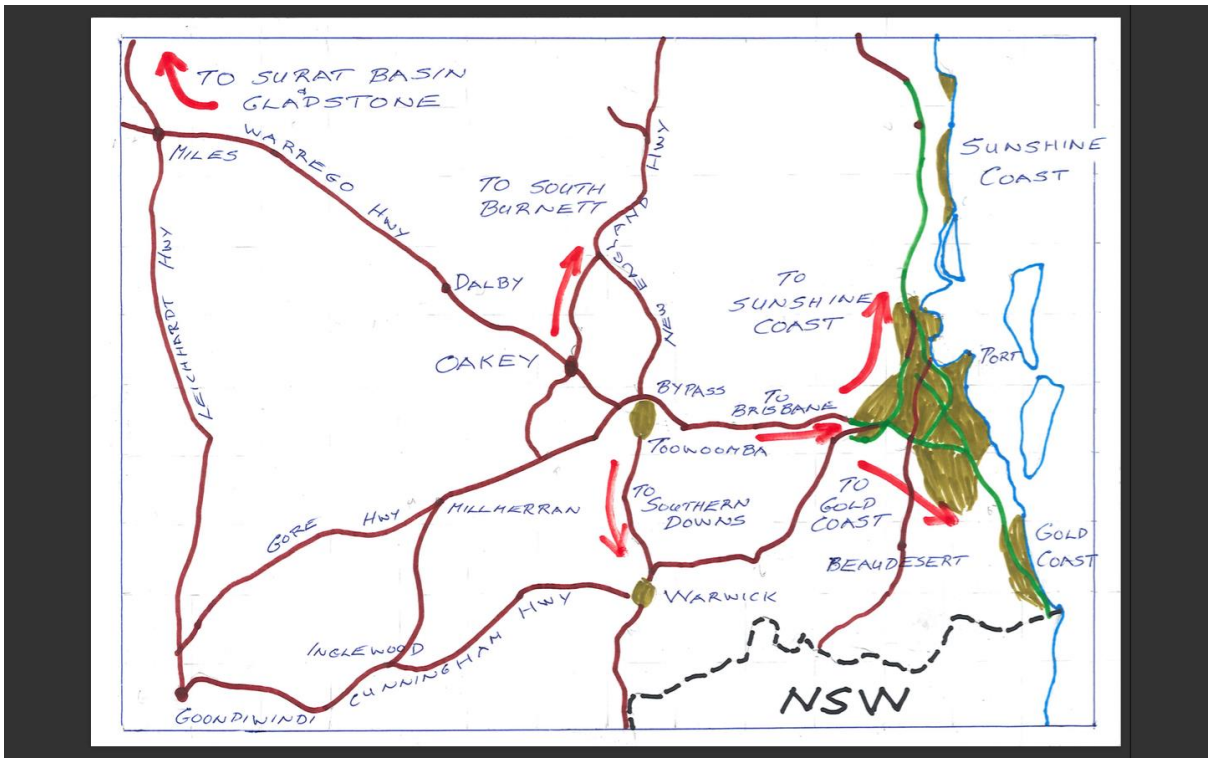
Existing Transport Corridors

Major road networks from Toowoomba/Oakey providing options for freight delivery to LGA's of SEQ already exist or are proposed.

Port of Brisbane and Major Road Networks

Figure 1 Location of the Port and major road networks

Road Network centred on Toowoomba-Oakey



CONCLUSION

The outcomes of this report are that the 2015 Inland Rail Programme Business Case no longer stands up to independent scrutiny but was in fact framed optimistically to support the investment in Inland Rail. It is recommended that this Business Case be

- re-visited with validated data on freight prospects,
- accurate budget allocations and the selection of the most economical port for export of goods.

It is also recommended that in the light of a changing business case **the route be reviewed to ensure impacts are minimised on communities, businesses and the environment**.

Recommendations restated

This report provides the following recommendations:

1. It is recommended that **this Business Case be re-visited with validated, current data on freight prospects and additional budget allocations**
2. It is recommended **that a holistic approach be taken to freight delivery rather than a single mode approach.** The delivery of freight should encompass the whole of the supply chain. The best combinations and modes of available transport solutions should be identified to enhance the service offering.
3. It is recommended **that route and destination of Inland Rail be reconsidered in the light of the updated Business Case** from Recommendation 1 **and the desire to select the best transport combination to meet customer needs** as identified in Recommendation 2. It is envisaged that this review will result in the serious consideration of a terminal at Oakey with delivery of goods to Brisbane and elsewhere by existing QR lines and road transport.
4. It is recommended **that the Environmental Impact Statement (EIS) process for Gowrie to Kagaru be discontinued** and the budget for this activity be allocated to finalising the EIS for the Forestry to Oakey line. As the EIS has not been approved for any sections in Queensland, now is the appropriate time to select a superior route for Inland Rail.

References:

https://www.zurich.com.au/content/insurance-insights/marine-logistics/infrastructure/freight-solution-on-track.html

https://www.infrastructure.gov.au/transport/freight/freight-supply-chain-submissions/Port_of_Brisbane_Pty_Ltd.pdf

https://www.bitre.gov.au/publications/2016/files/rr_139.pdf

SECTION THREE - ATTACHMENT – ALTERNATIVE ROUTE OPTIONS.

1. Melbourne to Gladstone via Miles (Submission 1 and 203, 211)

Overview

Import / Export freight task was the target for the original concept of the Inland Rail to and from Gladstone. The Bureau of Infrastructure, Transport and Regional Economics (BITRE) report published in Dec 2014 a forecast that predicted this Import / Export task would grow from 7.2 Million TEU to 19.4 Million TEU by 2033. The basis for the IPGH project is based on initial growth at "Port Central" to 2 million TEU by 2033, and potential future growth to 5 million TEU by 2050 with the addition of facilities at Fisherman's landing

At 2 million TEU per year delivered by 14,000 TEU container ships, there will be a ship approximately every 5 days. With the transi-flat wagons loaded with 3 TEU per wagon (single height) and 80 wagons, the result is 240 TEU per train. Based on an assumed 90% of the 2 million TEU containers unloaded / loaded in Gladstone going onto rail heading south, then there will be approximately 24 train movements per day to achieve this (12 arriving, 12 departing). When at the full designed throughput, 3840 rail wagons, and 96 locomotives to manage this volume.

Route Description

The T2G rail route consists of 4 sections :-
1. **Gladstone to Banana** – This is an existing narrow gauge heavy haul rail link, primarily for export coal.
2. **Banana to Wandoan – 210 km** new line, narrow gauge, dual gauge capable. The "Missing

Southern Link". **Designed, EIS approved, State Development area declared, Development Act in place.**
3. **Wandoan to Miles - 70 km** new line, narrow gauge, dual gauge capable. Existing corridor currently decommissioned, track removed. Design complete, including a bypass of the town of Miles.
4. **Miles to Oakey (Toowoomba) - 220km** Existing operating Aurizon line. Can take 45 coal wagons with speed restrictions. Upgrade designs complete.

Advantages:

a) **Cheaper to Build** the following capital cost estimates apply to this route:
   • Initial Narrow-gauge option (new sections dual gauge ready) - $1.4 billion
   • Final Dual gauge option (both Standard and narrow gauge) - $3.0 Billion
b) **Port Capacity:**
   - The Port of Gladstone currently exports over 75 Million tpa of coal.
   - It has built capacity to handle an additional 20 Million tpa Coal transport by rail to the Port of Gladstone that does not pass through urban or residential areas.
   - Coal trains are generally 103 wagons that travel at 80kph.
   - The Port of Brisbane is limited to 10 Million tpa. Submission 203
c) **Economic Development of Coal Measures:** With the rail infrastructure in place, there is the potential for significant growth in both thermal and coking coal exports from both the Southern and Northern Surat Basin. The growth in the Northern Surat basin would not occur without the construction of the Wandoan to Banana portion of the Inland Rail.
d) **Cost Saving with PoB Development:**
   - Going to Gladstone will result in approximately 500,000 TEU per year
   - No requirement to travel through the high-density residential suburbs of Brisbane and Logan.
   - This action defers the requirement to spend $2.9 billion to link the Port of Brisbane with Acacia Ridge.

By adopting the policy that all coal exports should be exported through the Port of Gladstone, there is a requirement to re-evaluate the design configuration and operational model of the Inland Rail to Brisbane and build the Inland Rail to Gladstone.

NOTE: This route could go directly from Goondiwindi to Miles making the Inland Rail truly inland.

2. Melbourne to Oakey to Brisbane (by road) and Gladstone

Overview:

The majority of the proposed Inland Rail route from Inglewood to Acacia Ridge is subject to controversy.

The issues are compounded by traversing many built up areas, areas of environmental significance, areas of high quality and productive agricultural land and the vast Condamine flood plain.

In order to resolve this, a route needs to be identified that satisfies the following criteria:

1. Follows the majority of brownfield line or is on government owned land
2. Crosses the least amount of floodplain and waterways
3. Limits the impact on the environment
4. Provides economic opportunities
5. Saves transit time
6. Saves capital costs
7. Limits impacts on greenfield communities

Building the line through state owned land to Cecil Plains and following the existing corridor to a terminal in Oakey, exceeds all these criteria. This route provides

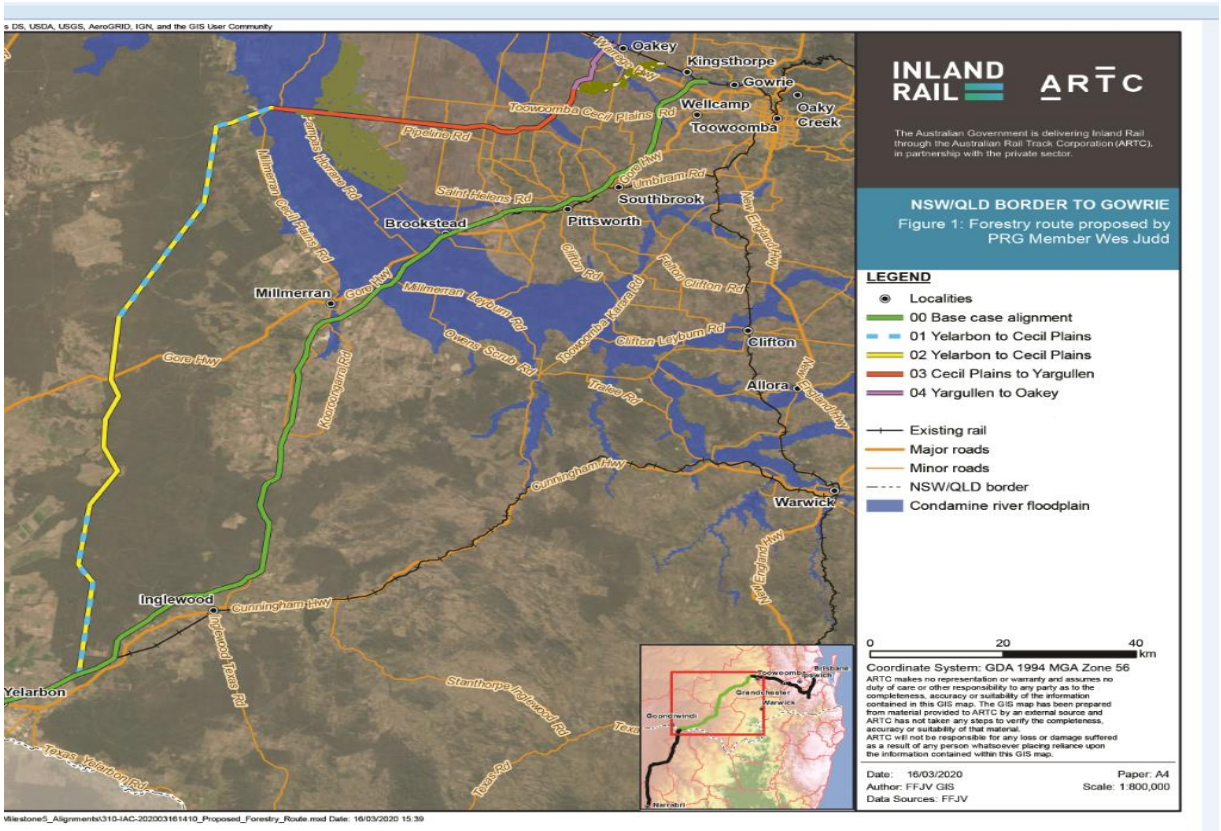
- connection to Toowoomba and the proposed Interlink terminal via road and rail and
- provides access to the international airport within 15 minutes via road.

Criteria	Oakey Route
Follows the majority of brownfield line or is on government owned land	No EIS required on existing rail from Cecil Plains to Oakey. No EIS from Gowrie to Acacia Ridge due to utilising existing road transport.
Crosses the least amount of floodplain and waterways	Flood plain crossing reduced to 3.6 km, noting the Cecil Plains line has never washed out. No flood paling crossing Gowrie to Acacia Ridge
Limits the impact on the environment	No essential koala habitat, existing corridor with no vegetation, state owned forest with mining leases. No destruction of essential habitat below the range.
Provides economic opportunities	Terminal in Oakey will create jobs, livestock can be transport to abattoirs and south to southern market, cotton and grain can be transported
Saves transit time	2 hours and 21 minutes faster
Saves capital costs	No range tunnel or other tunnels, no significant flood plain crossing, no train line to be built to Brisbane from Toowoomba. Saving $3.55 B from Helidon to Kagaru to start plus the tunnel budget and the savings from Kagaru to Acacia Ridge

Limits impacts on greenfield communities	Only 63 km greenfield via forestry which is unpopulated as opposed to 135.75 km through rural town communities B2G. Also eliminates the 220Km of greenfield components in the Gowrie to Acacia Ridge sections

Route Description:

The route was originally named the "forestry route", however this proposal differs from the original "forestry route" as it has its **major terminal south of Oakey**, from where it utilises the existing Queensland Rail line to access Toowoomba including the proposed terminal at Gowrie and utilised the road network to access international freight opportunities at Wellcamp Airport.



Advantages:

This is a new concept which will resolve the following issues:

- Majority of line is existing corridor or state-owned land and as such will not require a new Environmental Impact Statement (EIS), only adjustments to the published EIS.
- Terminating in Oakey presents the economic opportunities of direct employment on rail activities, indirect employment via the terminal development including
    - potential agricultural commodity depots including existing silos
    - livestock transportation to abattoirs
    - livestock transportation south
- All connections of the current route remain valid, with the QR line providing linkage to Interlink SQ
    - without the need for ARTC to spend $5M on diverting services at the Interlink site,

    - connection to the airports via road with a 10 minute trip to Wellcamp and
    - a 20 min trip to Toowoomba.
- Terminating in Oakey allows for an integrated transport solution utilising rail and road to deliver door-to-door with containers forwarded to Brisbane from Oakey by truck. This increases efficiency with delivery time by truck approximately 2 hours and 21 minutes.
- Given that with imported containers,
    - about 25% are unpacked in or near the Port,
    - over 60% unpacked in Brisbane, the majority being within 40km of the Port, and
    - over 90% are unpacked in Brisbane or adjacent regions, the majority being within 100km of the Port,

The need to connect to rail is not warranted with trucks making local deliveries. Therefore, trucks would carry a small number of containers to Interlink or Oakey for distribution of goods.

- In the case of export containers
    - about 30% are packed in or near the Port,
    - over 40% are packed in Brisbane, most being within 40km of the Port,
    - about 75% are packed in Brisbane or adjacent regions, the majority being within 100km of the Port and
    - 25% are packed in other Queensland regions (e.g. Darling Downs, and a small percentage are packed in Northern NSW).

  Therefore, of all export containers only 25% are transported from outside Brisbane, so the logically transport mode of road from Oakey is supported by this data.

- Gladstone can be linked in via QR line and new Surat basin line.

3. Warwick to Brisbane

Overview

It is well known that several sections of this route selection have been the subject of much deliberation, on-going studies, and redesign, particularly during the last year. One of these areas of concern is the crossing of the Condamine River floodplain between Millmerran and Brookstead on the Darling Downs in Queensland. It is of concern to adjoining landholders as well as to the public in general and engineers and administration of ARTC, who are charged with building the I.R. There have been several designs and amendments to design as the complexities of soil type and depth; flood height actualities and modelling; and the considerable length of the actual crossing have been investigated.

A route from Inglewood via Warwick direct to Tamrookum connecting to the Sydney Brisbane line will eliminate all concerns about expansive flood plains and will significantly decrease the green field component of the line.

Route description:

Inglewood to Tamrookum

The proposal commences just west of Inglewood on the Whetstone section of the Inland Rail route from Yelarbon.

The route would pass to the north of Inglewood, cross Canning Creek, and then cross over the Cunningham highway to follow the South- West Queensland Rail (QR) line towards Warwick. At 100 km from Inglewood at the locality of Allan (10km West of Warwick) the proposal would exit the QR alignment and turn north to cross the Condamine River at Toolburra. From there, the alignment would parallel Willow Vale Road for 16 km to just south of the Cunningham – New England highway Intersection. The elevation here is 490m.

The route follows the south side of the Cunningham Highway for 30 kms eastwards – through rolling undulating terrain with an elevation increase of 150m.

Tunnelling under the range would be necessary and would be drilled under Spicers Gap National Park to the Fassifern Valley. The alignment from the Eastern Portal of the tunnel would be eastwards through mainly grazing and forest country to the locality of Tamrookum – where it would join the Brisbane-Sydney SG Rail Line approximately 20 km south of an existing Intermodal terminal at Bromelton.

The total distance of this alternative route is 210km.

Advantages:

a) **Length:** This route is 50-60 km shorter
b) **Transit time**: this route is 30 minutes faster
c) **Condamine River Crossing**: The length of the floodplain between Millmerran and Brookstead is 18km. The Warwick IR alternative route proposes to cross the Condamine river between the localities of Allan and Toolburra (with this crossing being less than 1km.
d) **Existing QRE Route**: This route would follow the S-W QR line to 10 km west of Warwick.
e) **Favourable soil types**: This route traverses trap rock / rudosol soil types eminently suitable for heavier rail construction.
f) **Proximity to Towns**: the current proposed IR route impacts on many towns with a total population of approximately 19,000 people. The impacts of IR either through or adjacent to

these towns are numerous including – NOISE, VIBRATION, EXHAUST POLLUTION, DUST and OTHER POLLUTANTS FROM TRAIN CARGO. There are the impacts on the above communities directly from the passing of future trains, but there are other immeasurable concerns as well which cannot be mitigated against. Mental and physical health of people whose lives are affected; resultant drop in adjacent property and house values; on-going difficulty with eventual sale of these properties.
With the Warwick alternative, the only small town that could be affected is Karara. The population of this village is 130.

g) Land Resumption Costs: There will be massive land resumption costs along the Millmerran route compared to Warwick. From Inglewood to Gowrie across the Darling Downs the current route traverses 85 km of prime agricultural farming land – and this distance does not include the 30 kms where the route follows the existing QR line at Millmerran. There will also be resumptions necessary in the Lockyer Valley –. Compared to this, the Warwick alternative will require the resumption of approximately 35 km of land.

h) Dividing Range considerations

As with the Millmerran route, it would be necessary to tunnel under the range – near Spicers Gap. Along the Toowoomba route, the length of all tunnels is 8.3km.

The tunnel length of the Warwick route is less than the required length of the three tunnels via Toowoomba .

i) Connection to Toowoomba
Toowoomba will be connected by the existing utilised rail connection.

Disclaimer: The Inland Rail project involves a large volume of information. Every effort has been made to provide accurate information; however the report may contain errors or omissions. These errors or omissions can rectified upon provision of updated, verified information.

Rail Interface Program – Round 1

Electorate	Party	Grant	Applicant	Notes
Maranoa	LNP	Proposal to review access opportunities to Inland Rail and improve connectivity for high-productivity vehicles to either potential or existing intermodal sites on existing rail corridors. The proposal has the potential to review Bruxner Way, the Boggabilla Siding, and the existing narrow-gauge rail west of the proposed alignment towards Thallon, as well as potential choke points on the major roads linking to Goondiwindi	Border Regional Organisation of Councils	**Government Applicant**
Maranoa	LNP	Proposal to develop a Goondiwindi to Inland Rail corridor connection by upgrading the current South Western rail line alongside the Queensland and New South Wales border from Kurumbul to Thallon. The proposal has the potential to allow better connectivity to Inland Rail.	Goondiwindi Regional Council	**Government Applicant**
Groom	LNP	Proposal to develop the South West Intermodal Project. The proposal has the potential to provide a cost-effective and efficient service offering through the facilitation of a "hub and spoke" logistics network. This would include the construction of a new rail siding and a primary regional aggregation and distribution centre (hub) in Toowoomba.	Interlink SE and Seaway	**Private**
Groom	LNP	Proposal to construct a rail provisioning/maintenance centre for Inland Rail operations at strategic locations within the Toowoomba region. The proposal has the potential to maximise economic benefits for rural townships, for example the southern township of Millmerran.	Toowoomba Regional Council	**Government Applicant.** **Project not approved by Toowoomba Regional Council prior to submission.**

Groom	LNP	Proposal to investigate additional rail connections to the existing South West Rail System at Yelarbon and Southbrook. The proposal has the potential to improve rail connections to Inland Rail to accommodate heavy agricultural, mining and bulk commodity loads from the west, and to minimise the need for both road and rail freight loads through the city of Toowoomba.	Toowoomba Regional Council and Darling Downs & South West Queensland Council of Mayors	**Government Applicant.** **Project not approved by Toowoomba Regional Council prior to submission.** **These rail systems belong to Qld Rail who were not aware of the application being submitted.**
Groom	LNP	Proposal to upgrade and reopen the existing Western/ West Moreton Rail System and the South West Rail System. The proposal has the potential to maximise the benefits of Inland Rail through upgrading existing rail systems to accommodate the same loads as Inland Rail, and revitalising these lines through cost-effective integration.	Toowoomba Regional Council and Darling Downs & South West Queensland Council of Mayors	**Government Applicant.** **Project not approved by Toowoomba Regional Council prior to submission.** **These rail systems belong to Qld Rail who were not aware of the application being submitted.**
Hume	LNP	Proposal to increase the axle load limit on the rail line between Stockinbingal and Griffith. The proposal has the potential to contribute to the standardisation of the rail network throughout regional New South Wales by providing improved connectivity between regional hubs such as Griffith and Temora, and Inland Rail.	Transport for NSW	**Government Applicant.**
Wright	LNP	Proposal to investigate the viability of a Lockyer Valley and Inland Rail connection which will leverage existing and planned local output and infrastructure. A viable connection would increase productivity and connect Lockyer Valley producers and businesses to southern markets	Lockyer Valley Regional Council	**Government Applicant.**

Blair	ALP			
Forde	LNP			
Rankin	ALP			
Moreton	ALP			
Griffith	ALP			
Parkes	NAT	Proposal to develop a Gunnedah Intermodal Freight Terminal. The proposal has the potential to position Gunnedah as a provisioning centre for Inland Rail, given its existing infrastructure and connections to key towns and cities in the region.	Gunnedah Shire Council	**Government Applicant.**
Parkes	NAT	Proposal to develop the Moree Intermodal Park and Regional Activation Project. The proposal has the potential to increase Inland Rail throughput, enable productivity improvements to Inland Rail, increase modal shift from road to rail, and increase regional economic growth.	Moree Plains Shire Council	**Government Applicant.**
Parkes	NAT	Proposal for a road and rail interface project which includes an upgrade to Buckie and County Boundary Roads and an intersection to allow access to the proposed rail spur in Croppa Creek that connects to Inland Rail. The proposal has the potential to support regional economic growth, productivity improvements and throughput to Inland Rail, and to increase modal shift from road to rail.	Moree Plains and Gwydir Shire Councils	**Government Applicant**
Parkes	NAT	Proposal to develop the Parkes Intermodal and Refrigeration Hub. The proposal has the potential to maximise linkages between logistics and freight supply chains, and Inland Rail. It proposes to achieve this through upgrading and constructing new intermodal, open-access freight infrastructure and cold storage for exporters, importers and local markets.	SCT Logistics	**Private**

Parkes	NAT	Proposal to increase the axle load limit on the rail line between Narromine and Dubbo. The proposal has the potential to contribute to the standardisation of the rail network throughout regional New South Wales by providing improved connectivity between regional hubs and Inland Rail.	Transport for NSW	**Government Applicant.**
Parkes	NAT	Proposal to upgrade the Gilgandra-Coonamble line allowing for heavier, faster trains and improved interoperability with Inland Rail. The proposal has potential benefits for standardising the regional NSW network and supporting local operators in getting produce to market.	Gilgandra and Coonamble Shire Councils	**Government Applicant.**
Parkes	NAT	Proposal to improve the road/rail interface at Narrabri to make the most of strong local investment activity and production. The proposal suggests improvements for higher volumes and interoperability with Inland Rail.	Narrabri Shire Council	**Government Applicant.**
Parkes	NAT	Proposal to improve the connection between Baradine grain silos and Inland Rail. The proposal suggests a partial reinstatement of the Gwabegar line to make way for a connection with silos to the south of Baradine. A connection has the potential to increase throughput and encourage the shift from road to rail.	Warrumbungle Shire Council	**Government Applicant.**
Riverina	NAT	For a Riverina intermodal freight and logistics hub. The proposal has the potential to provide additional infrastructure that would increase Inland Rail throughput and boost regional economic growth.	Wagga Wagga City Council	**Government Applicant.**
Farrer	LNP	Proposal to upgrade the WRConnect intermodal facility. The proposal has the potential to enhance the efficiency of freight movement in the Western Riverina, improve connectivity to and throughput of Inland Rail at Junee, and create investor confidence for the region.	Leeton Shire and Griffith City Councils	**Government Applicant.**

Indi	IND	Proposal to develop the intermodal and refrigeration hub in Wodonga. The proposal has the potential to maximise linkages between logistics and freight supply chains and Inland Rail. It proposes to achieve this through upgrading and constructing new intermodal, open-access freight infrastructure and refrigeration for exporters at the Wodonga Intermodal Park within the LOGIC transport site.	SCT Logistics	**Private**
McEwan	ALP			
Nicolls	NAT	Proposal to establish a freight intermodal terminal at Mangalore airfield, Victoria. The proposal has the potential to help with the efficient transfer of freight between road, rail and air as needed.	Strathbogie Shire Council	**Government Applicant.**
Macnamara	ALP			
Gellibrand	ALP			
Maribyrnong	ALP			
Fraser	ALP			
Calwell	ALP			
Melbourne	GREENS			

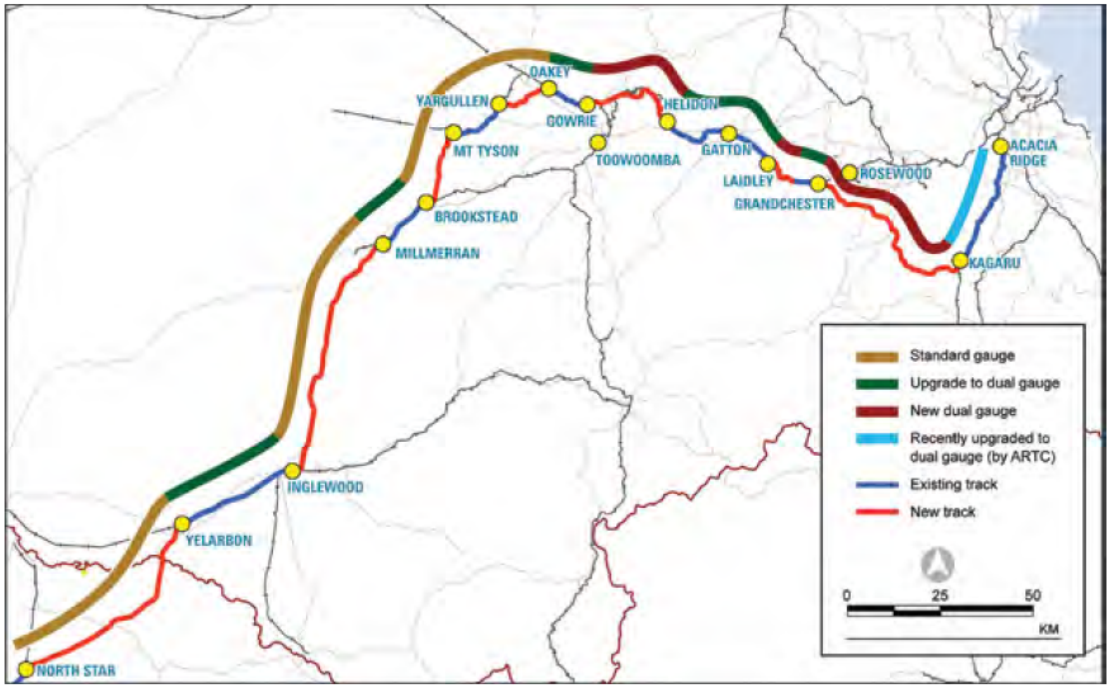
19 Projects to LNP electorates
1 project to Independent

3 Private projects despite the Inland Rail financial viability being dependent on private investment.

This program is just shifting government costs in an effort to make the Inland Rail business case stack up.

Inland Rail Inquiry Submission Pittsworth to Gowrie Route Selection - Queensland
The route from Pittsworth to Gowrie of the inland rail is greenfield and is not the route designed and assessed in the Business Case nor is it ARTC preferred route.
The route considered in the business case was called the "Base Case Modified" and was used in both ARTC's business cases produced in 2010 and 2015. The business case cost $15M and provided costings based on the original identified route. The following is the relevant map from the IRAS Final Report produced by ARTC. The imagery is not ideal, but you can see the section from Brookstead to Mt Tyson is the original base case. It is not suggested that this was a well thought out route, but it was selected by ARTC for a detailed level of assessment including the development of a full budget.

FIGURE 17 Standard and dual gauge corridors



These original studies did not include any connection to the airport at Wellcamp. This makes sense as bulk containerized freight and small high value air freight are two completely different things. A report produced by the "Inland Rail Implementation Group" in 2015 found that "Airfreight is not a viable standalone alternative for Inland Rail as it has a limited role in the transport task of bulk and heavy goods". This report goes on to suggest that there is no relationship between air freight and rail freight. Therefore, the connection to the Wellcamp Airport seems to contradict the government's own report. In addition, data available on the web states that the current annual freight volume from the Wellcamp Airport is circa 600 tonnes. A single rail freight container carries approx. 26 tonnes, therefore the deviation via the airport could be for 23 containers per annum or less than 0.02% of the freight volume to be carried by the Inland Rail (that is if all this freight came via rail which may not be the case). This volume of freight does not seem significant enough to support the additional costs of the deviation.
The current reported cost for the deviation to Wellcamp airport is an additional $135M without a proper costing module being applied. This is a lot of money for such a small volume of freight.
Also note, there is no connection to any other airports on the whole 1700 km of Inland Rail.
The route via the airport that was chosen by the LNP was designed by the Wagners in consultation with the Department of Infrastructure and did not appear to adhere to any due diligence or appropriate process. The email requesting the route is below. Please note the Mayor of Southern Downs also requested the route via Warwick at the same time but this was immediately dismissed, however, for mysterious reasons the request from the Wagners was approved.
Email from Wagner and response from DIRD:

Mike

How are things going in your world?

I met up with s.47F(1) from ARTC last week in relation to the inland rail alignment through Toowoomba.

When the study was undertaken in 2008-10 an international airport at Toowoomba was not a consideration as it was not even thought of at that time.

Six years later it is now a reality and we expect to have scheduled freighter services out of Wellcamp by the end of the year.

We have also announced the first powdered milk factory in Queensland at the Wellcamp business park adjacent to the airport and it will start exporting 30 million tins of infant formula in March 2017.

We also have an approved and serviced container terminal also adjacent to the airport.

We have done some high level analysis of the route and we believe that diverting via the airport would actually shorten the current planned route and future proof the alignment for future passenger services if ever they were to come from Brisbane and the Airport is a logical stopping point if this were to happen.

If it was of a commercial interest to ARTC and their customers we would commit to building a complete intermodal facility to be opened when the line was completed.

We currently own and operate two rail spurs in Townsville so we have some experience in this field.

Also we own one of the largest rail ballast deposits in the region adjacent to the airport and currently have the rail ballast contract for QR from our quarry at Amby so once again we have extensive experience in this regard.

Simon thought it would take about 3 weeks to relook at a diversion via Wellcamp if he was given the go ahead to have a look at it.

We would welcome the opportunity to come down and talk to you and Minister Chester at a time that was convenient.

Best Regards

John Wagner
Chairman Wagner Global Services

WAGNERS

339 Anzac Avenue, Toowoomba QLD 4350
PO Box 151 Drayton North QLD 4350
Ph: s.47F(1) | Mobile: s.47F(1) | Fax: +61(0)7 4637 7778
Web: www.wagner.com.au | Email: s.47F(1) @wagner.com.au

Document 9

s.22(1)(a)(ii)

From: WOOD Richard
Sent: Monday, 1 August 2016 12:52 PM
To: MRDAK Mike; Carmody Shane
Cc: s.22(1)(a)(ii) ; FOULDS Alex
Subject: RE: Inland Rail alignment [SEC=UNCLASSIFIED]

Mike- quick update on three matters in train:

Inland Rail/Toowoomba airport
I spoke to ARTC this morning. s.47F(1) indicated John Wagner has provided him with a map of the proposed alternative alignment (which is different to both the ARTC alignment and that proposed via Warwick), which he will bring with him tomorrow. Would you like ARTC to be part of the hook up with him?

s.47F(1) also indicated he was non-committal on how long a review of the proposed alignment would take- a high level review of feasibility could be 3-4 weeks. We will discuss tomorrow at the steering committee- while we don't want to set a precedent for opening up the alignment, it may be appropriate to look at this given the airport is new.

Backbencher briefing
I've been working out availability from ARTC- due to industrial action this week they won't be available at Executive level as the relevant people will be assisting in operations, however s.47F(1) may be available. I'm discussing with MO.

22(1)(a)(ii)

Regards

Richard

This correspondence from John Wagner to DIRD staff in late July 2016 indicates he provided a map showing where he wanted the line to be positioned in relation to the airport and that alignment was accepted following some discussion. It was interesting to observe in a briefing note dated 31 August 2016 that DIRD staff rejected an offer from the Wellcamp Airport owners to contribute financially to the study of "their" route.
The Wagners have stated they will build a terminal at the airport – ARTC say there will not be a terminal and the Wagners have now, apparently, sold the site that the terminal was to go on to Asterion for a medicinal cannabis facility. In addition, the rail is planned to be 12m high at the airport to accommodate crossing Cecil Plains Rd and Westbrook and Dry creeks. This height is not conducive to the development of a rail freight terminal which needs to be large and flat.
In order to validate the route chosen (so it did not appear that a rail line causing significant disruption to rural, rural residential and townsfolk was chosen just because a big company sent an email request) , the LNP tried to make the Wellcamp route look like it had been selected on merit by creating a Project Reference Group (PRG). The PRG was established in late January 2017 and was provided with approximate lines on a map of the four alignment options which were apparently under consideration at that time.
The PRG process was a sham as an email dated 28 February 2017 states that, "In October 2016 an Multi Criteria Analysis meeting was held which identified the alternative route via Pittsworth (Wellcamp) as preference". Email below:

UNCLASSIFIED

From: s.47F(1) <s.47F(1)@ARTC.com.au>
Date: Monday, 27 Feb 2017 12:37 pm
To: WOOD Richard <s.22(1)(a)(ii) @infrastructure.gov.au>
Cc: s.47F(1) <s.47F(1)@ARTC.com.au>, s.47F(1) <s.47F(1) @ARTC.com.au>, s.47F(1) <s.47F(1) @ARTC.com.au>
Subject: Yelarbon to Gowrie options - route via Pittsworth

Richard,

At the PCG meeting on 24 February, you asked how and when a route via Pittsworth had been adopted for the variation of the base case (Millmerran) route to reach Wellcamp, rather than a route east from Mount Tyson as shown on early maps of the four route options.

Initially as you know, we started on a study of a single route variation to run past Wellcamp. A notional route was identified showing a line east from Mount Tyson. We believe a map may have been prepared in haste, to show to the owners of the Wellcamp airport at a meeting. I recall that a Mount Tyson route looked feasible, and I was aware that a Pittsworth option had not rated well in the 2010 study.

Work on the "via Wellcamp" study began. In October 2016 an MCA was held which identified the alternative route via Pittsworth as preferable – but at that point the job was put on hold and was subsequently replaced by the larger study of four options. The Pittsworth preference remained internal to the study team. As a result the early maps showing the four options continued to show the Mount Tyson route.

In hindsight, those responsible for preparation of the initial "four routes" maps should have been aware that the Pittsworth route was already a preference. Several of the team did not know that the initial study had progressed to the point of the Pittsworth route being preferred.

Regards,

s.47F(1)

s.47F(1)
Senior Project Advisor, Inland Rail
Major Projects

As you can see, firstly Pittsworth was had not rated well in the scientific studies (prior to political interference), and secondly (after political interference), "the Pittsworth preference remained internal to the study team" and "In hindsight those responsible for preparation of the initial 'four routes' maps should have been aware that the Pittsworth route was already a preference. Several of the team did not know that the initial study had progressed to the point of the Pittsworth route being preferred".
Therefore, the material presented to land owners through correspondence from Bruce Wilson (Chair of the PRG) and at "drop-in" sessions during February and March 2017 was quite misleading. The Chair of the PRG had a pre-determined agenda to ensure Wellcamp was selected in line with the decision that had been made prior to the PRG being formed.
The other bit of nonsense that is touted is the airport was not open when the business case was developed. The airport was opened in September 2014. The business case without any mention of the airport was released in 2015.
Essentially the studied route from 2010 and 2015 (now termed the Base Case) was abolished because of requests from the Wagners to route the rail via their airport. This approach to major infrastructure investment ignores the recommendations of Infrastructure Australia which state:

Governments should undertake detailed analysis of a potential project through a full business case and should not announce a preferred option or cost profile before undertaking detailed analysis involving multiple options.

Project proposals should be independently assessed by an appropriate third party organisation.

Governments and proponents should undertake meaningful stakeholder engagement at each stage, from problem identification and option development to project delivery.

Governments and proponents should publicly release all information supporting their infrastructure decisions.

The government has ignored its own principles in order to accommodate an email request which did not even have a business case for a terminal attached.
In addition to the flawed determination of the route, the via Wellcamp option has not been costed as stated by the CEO Mr Fullerton at senate estimates. ARTC will not provide these costings, as the costs

have increased so much, they make the already dubious inland rail return on investment a complete farce. On the 17 September 2019 in Pittsworth at a public meeting, ARTC were asked to provide the updated costings – they replied that they would not as it was commercially sensitive. This is rubbish – it's tax payers money and should not be a secret. If the Inland Rail does not stack up, don't build it.

As people who stand to lose everything, we have met with the local MP Dr John McVeigh to convey our concerns. As this route has been devised to connect to only one business, who have stated they will build a terminal, we asked Dr McVeigh to request that the money proposed for the terminal be given to the government as a surety. It only seems fair that we are given a guarantee that the terminal be built if our futures are to be destroyed. We don't want to lose everything for nothing.

In summary, the route selected which will destroy so many lifestyles and livelihoods, appears to have been selected through no scientific, economic or time saving merit. This route appears to have been selected simply because big business sent an email requesting it. This is an unacceptable selection process and should be ceased for all future projects.

Given this route was not selected on merit it needs to be properly investigated. A thorough investigation of the route via Pittsworth will eliminate it from consideration as the corridor will need to contend with increases in elevation of 150m (with the corresponding decreases), will cause great destruction to farming enterprises, will exponentially increase flood risk and will damage the local towns amenity. To accommodate the terrain the costs of this route must be greatly increased, and this alone should make this route unviable.

Your consideration of this submission is appreciated. – V Battaglia

References:

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https://nginx-inlandrail-dev.govcms.amazee.io/sites/default/files/inland_rail_implementation_group_report.pdf
https://www.infrastructure.gov.au/department/ips/files/log/FOI_18-028.pdf
https://www.infrastructureaustralia.gov.au/publications/infrastructure-decision-making-principles

ARTC test forces farm gates open

- The Chronicle
- 15 Dec 2021
- MICHAEL NOLAN

NOT ON:

Gowrie farmer Tim Durre has been served with a notice saying the Australian Rail Track Corporation contactor can enter his property without his permission.

ACCUSATIONS of intimidation have been levelled at the Inland Rail operator after Darling Downs farmers were told that contractors did not need permission to enter their properties.

Gowrie irrigator Tim Durre is one of about a dozen producers who have received a Notice of Entry form from the Department of Transport and Main Roads citing section 109(a) of the Transport Act.

The forms give contractors from the department and Australian Rail Track Corporation free reign of his land.

The stated purpose of the intrusion was to investigate the "potential and suitability" of his property as a potential corridor for the Inland Rail by conducting soil, ecology and cultural heritage testing.

Mr Durre said he felt ARTC was not interested in working with farmers.

"The section 109(a) is the coward's approach," he said.

"I have a lot of unanswered questions, and they have put their head in the sand for three years," he said.

"That is why I have not signed a voluntary access agreement with them."

The proposed route will cut Mr Durre's property in half with what he said would be an 18m high, 200m wide embankment which the rail line would sit on.
The result would double his irrigation costs and destroy the farm, according to Mr Durre.
"They are making a mountain through the middle of the farm, and we can't pump water through it," he said.
He added there was conflicting advice from ARTC and the Federal Government about the finalised route.
Mr Durre said he was first told there was a 2km margin that ARTC could alter its proposed route but that appeared to no longer be the case.
Some producers have been able to negotiate a less destructive route, but Mr Durre said his concerns had not been addressed.
"Instead of taking five hectares they are taking 20 hectares, without consultation."
The Chronicle spoke to several farmers who were critical of ARTC rolling out the section 109(a) notice but they declined to go on the record, fearing retribution.
FLOOD WORRIES
Mr Durre's accusation that ARTC had overlooked input from farmers echoes a damning Australian Senate report in August.
It found ARTC flood modelling contradicted modelling from an independent panel and a hydrology study commissioned by local farmers.
"ARTC has not adequately considered the concerns of local residents regarding the chosen alignment and their proposed solutions," it said.
"For this reason, the committee calls for the revised business case to direct the ARTC to consider the concerns of local residents along the Border to Gowrie project, including consideration of alternative routes."
The report recommended ARTC "addresses all issues identified by the independent flood panel's findings and ensures all modelling and design issues identified are rectified as a matter of priority."
Despite doubts over the route and the forced entry notices Mr Durre said he backed the Inland Rail.
"It is the way ARTC is dealing with landholders that I have issues with," he said.
It is understood ARTC invoked the section 109(a) notices to speed up soil and ecology testing so it could update the project's Environmental Impact Statement.
An ARTC spokesman said it was committed to "engaging respectfully with landowners along the Inland Rail route".
"When negotiation fails, ARTC has no option but to apply to the Department of Main Roads and Transport for a Notice of Entry. Once granted, this allows ARTC to undertake the necessary work to inform the design of Inland Rail and meet the regulatory environmental approval requirements."

Independent Review of the delivery of the Inland Rail Program

Key Themes

1: ARTC governance and management arrangements for the delivery of the Inland Rail Program.

- ***How could ARTC improve its management arrangements and structures to better facilitate the delivery of the Inland Rail Program?***

ARTC were chosen to design and build the inland rail despite having no experience in greenfield rail construction, no experience in major project management, no experience in the approval processes for major projects, no experience in budget management for major projects and no experience stakeholder engagement at such a large scale. ARTC were simply selected so the government of the day could make off budget allocations and provide a blank cheque book to build a rail line with questionable returns.

ARTC should not continue as the proponent for this project, as a project of this size requires better governance and accountability. The project needs to be delivered by a government department who have constrains in spending and funding allocations and are accountable to tax payers. ARTC have begun construction of the rail line but can not provide a definite answer on total project costs.

An example of ARTC's lack of governance is the grant program they run in Queensland for community groups as a smoke screen so they appear like the good guys. ARTC were immensely unpopular with community in Queensland due to their cavalier, domineering and aggressive attitude towards affected landholders and the broader community. Realising they had burned all their social capital, one of their marketing bright sparks invented a community grant scheme whereby groups could request funds from ARTC. ARTC launched this scheme with great gusto and proceeded to allocate funds. The problem was lack of governance in the grant scheme management. When asked, they could not provide the government approval for the scheme (it is tax payers money after all so should have been approved by a Minister), could not provide any guidelines, could not provide the criteria to be used in selecting the which grants were successful, had no audit or reconciliation process for grantees and were selecting grants based on personal likes and dislikes of the people applying.

In addition to dodgy grant schemes, ARTC have no constraints on what contracts they award. They are not required to provide any evidence of value for money, any evidence of competitive tenders or any evidence of appropriate tender selection processes. This has resulted in the awarding of over priced tenders for inappropriate items such as marketing and communications. ARTC's inland rail office in Brisbane (noting there is no inland rail construction in Brisbane as it is on existing lines) is over at least two floors of some of the most expensive lease property and has heated toilet seats. It is very hard for people who are losing their properties to reconcile - such decadence when ARTC threaten them with legal action if they don't let ARTC have access to their property and beat them down on their property prices when they acquire their farms.

Another example of ARTC's lack of accountability is their application to the Toowoomba Regional Council to undertake a development application for earth works at Charlton. In order for the inland to re-join the QLD rail line at Gowrie they need to relocate council assets (at least $7m) and undertake work on a private property which hopes to house a rail terminal. These works should be undertaken by the individual land holder but ARTC have applied for the DA and have paid for the works. This is without any approvals for any works to be undertaken in QLD to date.

If ARTC are to continue as proponents for this project there will need to be significant changes, starting with the CEO Rebecca Pickering. Ms Pickering is setting the culture for the organisation and is responsible for the mistreatment of landholders and has condoned

the threats and the bullying conducted by her officers. The only way for ARTC to change is for her to be replaced.

If ARTC's attitude and behaviours can be adjusted to be more collaborative and genuine, the governance and audits processes will need to be upgraded so that tax payers can see value for money and that funds are expended on the rail line not on marketing, junkets for staff, expensive leased properties, home garaging of vehicles, opaque grant schemes and questionably let tenders.

In addition, the route will need to be properly assessed, especially in Queensland, where ARTC used a multi criteria analysis (MCA) to justify a route chosen because some wealthy business asked for it rather than use proper data to get best value for money. All options and new options should be considered in QLD and the MCA needs to be approved by the community and have justifiable data.

Attachment 1 is a previous submission form Mr Neil Owen (IDIRAG) which provides a summary of the flawed approach by ARTC to consultation and does a comparative analysis of the MCA.

2: The role of Inland Rail in meeting Australia's growing freight task and providing a Service Offering to meet freight sector needs.

- ***How could Inland Rail and access to intermodal terminals create new opportunities and benefits for your region/industry/community?***

A. ARTC have used a 24 hour service offering as the reason that the sub optional route chosen by them could not be changed. ARTC have been repeatedly requested to provide:

1. Supporting evidence that a 24 delivery time is necessary. ARTC claimed that TOLL and Woolworths demanded this time frame but when requested to provide the minutes of the stakeholder meetings supporting this claim they were unable to find them. All evidence available shows that the fastest time will be 38 hours (CSIRO transport report supports this). ARTC know they can't make this timeframe but are still insisting that the route better routes can not be explored due to this constraint. Upon exploring the 24 hour transit time, ARTC have admitted that this may be for just one train a week. It seems ludicrous to create so much damage to peoples lives for 1 train per week. Any freight that time constraints will be trucked as it will go from source to destination not from rail terminal to rail terminal.
2. A timetable of train movements showing the number of trains and the timing. ARTC have not been able to provide this and now say that they don't know how many trains there might be or how many will have the 24 hour time constraints as they don't run trains they just control the network.
3. Timing of sections of the route in QLD. The original route was straight and flat and the new route via Wellcamp airport is over many hills and flood plains. ARTC have claimed that despite this route being longer and the trains being unable to do speeds of more than 80km/hr that it is quicker. ARTC have not supported this claim with any credible data.

B. Freight as a system

The fundamental flaw with the inland rail is that it is being considered a stand-alone project. However freight can't get on rail or off rail without considered the freight net work. In order to meet the time, reliability and customer expectations, the most efficient freight combination and the route selected for the Inland Rail needs to be considered.

If the requirement is to have freight from Melbourne to Brisbane in 24 hours, the solution

to this should have been a combined freight model. There are four significant freight systems: rail, road, sea and air.

Table 1 Freight Mode Dependencies Freight Mode	Dependencies on Other Freight Modes
Rail	Dependent on road transport to load and unload. Cannot be directly loaded to sea transport at either Melbourne or Brisbane ports. Needs loading terminals along the route.
Road	Not dependent on other modes. Can deliver door to door without support. Terminals not required
Sea	Dependent on road transport
Air	Dependent on road transport. Little connection with sea or rail as bulk commodities are not transported by air. Both air and freight terminals required.

Given these dependencies, the most efficient multimodal transport system should have been considered in the Business Case, not a singular rail line with no connections for loading or unloading. The decision on Inland Rail routes should be based on the fastest freight mode for the destination. This would result in a combination of freight systems to provide efficient and effective delivery of freight.

Please read attachment 2 “Inland Rail – a 2021 perspective” for full details on the issues with IR.

C. Intermodal terminals

I would like to draw attention to the investment in inland rail, which sits outside the official program. There has been a number rounds of the Rail Interface Program which is designed to create a connection between inland rail and the road network. This in itself is an admission that IR is useless as it currently stands. This program appears to be pork barrelling with the majority of grants going to LNP electorates. A copy of round 1 results is in attachment 3.

D. IR Route in QLD chosen to connect with Wellcamp Airport

The biggest error made in the IR was the selection of a route to connect to the privately owned Wellcamp airport. This was a late change to the route and shocked and dismayed the community. The government claim that it must connect to this airport despite the IR not connected to any other airports including Brisbane and Melbourne who have daily fright flights not once a week like Wellcamp.

Claims have been made about investment to create a terminal, but ARTC have said there will be one terminal in Toowoomba at Interlink which is 7 km from Wellcamp. Attachment 4 explains why there will not be a terminal at Wellcamp.

3: The processes for the selection and refinement of the Inland Rail route and whether these processes are fit-for-purpose, including consideration of benefits and impacts.

- ***Do you consider ARTC’s approach to engaging communities on the route is fit-for-purpose?***
- ***How could ARTC improve its engagement with communities and stakeholders***

along the route in regard to the processes used to consider benefits and impacts?

The route selection process was flawed in QLD and needs to be re-routed if inland rail is to provide any benefit. Attachment 5 exposes the corruption in route selection in QLD.

I believe the ARTC brand is so badly damaged that it can not be redeemed. They tried to rebrand by just calling themselves “Inland Rail”, but people see through their marketing hype. ARTC need to be sacked. Attachment 6 provides examples or ARTC engagement.

4: The effectiveness of ARTC’s community and stakeholder engagement processes, and opportunities for improvement, including ARTC’s approach to addressing community concerns.

- ***What has ARTC done well in engaging with communities, including addressing community concerns?***
- ***In what ways could ARTC improve its communication and engagement processes with communities and stakeholders?***
- ***How could ARTC improve its engagement with communities and stakeholders in responding to concerns?***

ARTC treat people with complete disdain. Attachment 7 is a newspaper article about ARTC forcing entry onto farms.

When ARTC first engaged about inland rail they kept saying it was their way or no way. Attachment 8 is a submission by Kev Loveday about aged landholders. The announcement of the IR was no accompanied with any information on land acquisition – ARTC said that land would be acquired by DTMR once gazetted and there would be no early acquisition. We had to work really hard to get this rectified. The human factor has been ignored by ARTC, Attachment 9 explains the loss to community of houses and farms written by Sandy Robinson.

[redacted]

Regards
Vicki Battaglia