

**Wes Judd Chair
Millmerran rail Group**

Response to the Independent Review

We welcome the establishment of an Independent Review and the appointment of Dr Schott to oversee this important process. We intend to make our submission according to the terms of reference as they particularly apply to our group and our communities, businesses, and employees.

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potential end points for Inland Rail Service Offering in Brisbane, including Ebenezer, Kagaru, Bromelton, and/or Acacia Ridge.

Our response to this section of the terms of Reference is summarised by the Senate Inquiry report which stated, “industry will utilise a service that best suits these demands”. For producers and businesses on the Southern Darling Downs, the opening of the Toowoomba bypass and the road access either to the Port of Brisbane, nearby Toowoomba or the production complexes in Brisbane means that the Inland Rail provision is of little or no use to most of our group. Toowoomba is less than one hour away, and it would be impractical for us to convey produce to a rail siding by truck to be loaded onto a train and then conveyed to Ebenezer, Kagaru, Bromelton or Acacia Ridge and then be unloaded from a train onto a truck and then be conveyed to an end point. In summary, the distance and time of existing agricultural freight via truck direct to port is shorter, direct and has no logistical delays.

We agree with the Queensland Transport Association which informed the Senate Inquiry, ‘you still need a truck to get it to the rail and you need a truck to get it from the rail, so one way or another the road freight element fits into the supply chain’. Our frustration arises from the lack of clarity on the end point for goods. On the current proposed route, our community bears the full brunt of the Inland Rail Infrastructure. We are told this has to be fulfilled because of the time constraints in meeting a 24-hour turnaround from Melbourne to Brisbane for rail to be competitive with trucks. Yet, even at this stage of the project, there is still no clarity or costing on how goods would be transhipped from either Ebenezer, Kagaru, Bromelton or Acacia Ridge in a timely, cost-effective way to the Port of Brisbane.

Publicly, there has been a vague reference to a Public Private Partnership to improve the rail connection across the Great Dividing Range. No costings have been applied to this. The history of these public-private partnership arrangements is not conducive to an effective arrangement for taxpayers as for the most part the private sector tends only to invest if the Government

incurs most of the risk. A similar thought process of private/public tunnels has been applied by various spokespersons to the movement of goods from Acacia Ridge to the Port whereby tunnels have been suggested as a solution to transport movements from Acacia Ridge to the Port of Brisbane. We believe resolution of these issues is essential before any final decisions on rail infrastructure across the Condamine Flood Plain are made. The current rail proposal across the flood plain will adversely impact our community.

Whilst the end point for the dispatching of goods remains unresolved, it is unreasonable for ARTC to be so dogmatic on their proposed route across the Condamine Flood Plain. In fact, until the full costings for the Great Dividing Range crossing across the Lockyer and the full costings from Acacia Ridge to the Port of Brisbane have been finalised and made public, no one can be accurate on the full costings for the entire project. This strengthens our argument for alternative routes across the Condamine Flood Plain to be fully investigated and fully costed.

Moreover, we are told by the ARTC that we must have rail alignment across the Condamine Flood Plain to meet a 24-hour turnaround time. At the same time, the important rail infrastructure issues across the Lockyer and from Acacia Ridge to the Port have not been resolved. The 24-hour turnaround target imposes an alignment through our farming community which is grossly unfair. It is particularly prejudicial to us when we see that the routes and financial methodology for rail proposals closer to Brisbane and from Brisbane suburbs to the ports are unresolved in time and costs. Yet we are being treated as if we will bear the full force of the 24-hour turnaround. We believe that your committee will find that when you get to the root of the issues with the ARTC for our group it is the rail route that is the issue.

In summary, we want the 24-hour turnaround impact anvil lifted from our community. We ask your committee to make ARTC answer what it has been unable to do across the remaining sections of the line into Queensland. We want verification of claims relating to benefit claims made by ARTC for “improved access to and from regional markets, reduced costs for the market, improved reliability and certainty of transit time, reduced distances travelled, improved safety, enable complementary market-driven investments”. As part of the revised business case for the whole Melbourne to Brisbane project, we insist upon a cost benefit analysis of road freight (direct from farm to market and port) and current rail services for the Darling Downs region and ‘Border to Gowrie’ project area, and fully detailed proposed services, costs, and time of Inland Rail within the project area for agricultural product.

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review the processes for selecting the Inland Rail route to confirm it is fit for purpose and has considered both impacts and potential broader economic benefits to regional economies and communities

The nub of our concern with this section centres on the route selection across the Condamine Flood Plain and the lack of clarity on the reasoning behind the route selection. The Senate Inquiry referred to ARTC's concerns for "an end-to-end journey time of 24-hours." This ARTC framework was established under the 2015 business case. The project cost blowouts alone have seriously undermined the 2015 business case which we believe should be urgently reassessed on a costs benefit analysis.

Further, the Senate Inquiry found that "whilst the ARTC, industry and the freight sector all emphasised the importance of the 24-hour turnaround, other stakeholders argued that the benchmark was arbitrary, and that the government needed to amend this requirement to allow for more suitable alignments to be considered." We strongly support the view of the Senate Inquiry when it said,

"the committee is not convinced that business stakeholders would deem Inland Rail unusable had the journey time for Inland Rail been extended by 30 or 60 minutes; however, for some communities, an additional 15 minutes could have resulted in a more meaningful interaction with the ARTC and the potential for an alignment that meets both business and community expectations. Had the Australian Government established a more flexible time parameter at the initial stages of this project, then many of the issues faced by the ARTC today could have been avoided."

A further sticking point for our group was the Multi Criteria Assessment (MCA) process for the route selection. The process appeared fine in principle. In practice, the MCA lacked transparency and integrity and led to the fundamental breakdown of community trust for any future decision based on this process or the information on which it was based. We have repeatedly and always unsuccessfully asked for transparency and details of the assessments. We asked for an independent reassessment of the information that supported the MCA process. This has not been forthcoming. We have always believed that the MCA process was never correct in the costings. The ARTC has also been asked to state how they would deal with new information that would change the route decision outcome considerably. Our Group has not received a response. In our view, the MCA results should be reassessed to reflect the substantial increases in the budget for the Inland Rail project. Since 2015, the budget has

significantly increased, with the project cost rising from \$9.9 billion to \$14.5 billion. Further, the ARTC claimed initially that crossing the Condamine Flood Plain would require 1.35 kilometres of bridging and would make the project \$180 million cheaper. Since then, the project has been revised upwards to now include an additional 4.85 kilometres of bridges. To the best of our knowledge, the additional cost of this has never been made public. These bridges will possibly have thirty-metre-deep piers of concrete below the ground. It is not just the costs of the bridges but the costs of the engineering that must deal with the vertisol clay soils *that shrink and swell as they change water content.*

In contrast, the Warwick route soil is either traprock or gravel. Members of our group have also been told that the building group will use lime to stabilise the embankments. This same material is used on the Gore highway and needs replacement within five years. We believe that there will be a rate of failure with the lime material over time which means the first building cost will not be the last. If this is correct, then the rail freight corridor will be disrupted from time to time as material is replaced. This disruption creates additional costs. So, we fear that the current costings are up-front costs rather than an ongoing maintenance cost. We suspect that given the current increases in building material costs, supply chain issues and labour shortages that the current budget figure will blow out further. Costings should be publicly available to reflect a true cost benefit analysis. Failure to provide information in the past undermined trust in the process from the outset.

We believe the project costs have been underestimated and significantly so. Big infrastructure projects need accuracy in cost assessments. Auditor General's reports are festooned with major Government projects with cost overruns. The lack of detailed costing information on this project should send a warning light to the Committee. Inevitably, the possibility even the likelihood of cost blowouts should force a reappraisal of formerly rejected rail alignment options. Financial overruns undermine this project and ultimately destroy the original business case. That is why we draw your attention to one of the options the ARTC rejected, the Warwick option. We concede that this option would be longer. However, The Senate Inquiry said of this proposal,

“With regard to the Warwick route, the ARTC advised the committee that it would be expensive because the existing line would need to be replaced. It added that a further issue with the Warwick route is its impact on the 24-hour turnaround.”

The irony is that the Warwick rail line is currently being used to haul grain from Goondiwindi to the Port of Brisbane via Toowoomba. ARTC overlooked the Warwick route because in their view it was not fit for purpose.

This opinion ignores fundamental issues. We acknowledge that the alignment would need to be slightly altered but it has a firm building base for rail as it already is an existing rail line. It has existing “as of use rights” and would not have the delays associated with applying for the Environmental Impact Statement with all the protracted issues, time delays and potential cost increases associated with that process. As it is a current rail alignment, the Warwick option

presents far less detrimental impact on arable land and the associate dislocation of commercial farming operations. ARTC's current proposal from Border to Gowrie affects 368 freehold properties, with 70% of the footprint cutting agricultural cropping and grazing operations, permanently sterilising 1,450 ha of arable land. It threatens internal farm dislocation, farming operations and businesses. It crosses the Inglewood Road on three occasions.

In essence, the Senate Inquiry invited your committee to ignore the current ARTC alignment proposal from Border to Gowrie and start with a blank canvas when it said

“Whilst the ARTC, industry and the freight sector all emphasised the importance of the 24-hour turnaround, other stakeholders argued that the benchmark was arbitrary, and that the government needed to amend this requirement to allow for more suitable alignments to be considered.”

We believe the Warwick option falls into that category. It should be considered in light of the Senate findings. We believe the suggested timing issues can be improved with the use of modern technology with contemporary safety rail signalling and the introduction of passing loops. At a time of Government budget restraint, this option is a much lower cost to the taxpayers than the expensive flood mitigation infrastructure requirement of the Condamine Flood Plain. The introduction and use of smarter technology improves any time over distance argument. Moreover, from a community perspective, it safeguards valuable arable productive farming land in one of Queensland's preeminent agricultural areas. This option will still service Toowoomba as it currently does and still connect to the Port of Brisbane.

We turn now to the overriding issue for us - the ARTC rail proposal across the Condamine Flood Plain. At a time of increased community suffering caused by the impact of severe flooding events across the eastern areas of Australia, all Governments are being enjoined to cease any building approvals across flood plains and, in many instances, are actively engaged in buy back schemes to ameliorate the devastation caused to landowners who have purchased property on a floodplain. ARTC's proposed alignment across the Condamine Flood Plain contradicts the desire of all Governments to cease construction across a flood plain. In the past twelve months alone, the Condamine Plain area has been subjected to 6 severe flooding events.

In professionally responding to ARTC's alignment, our Group engaged an expert hydrologist to review the available material and prepare a formal submission which validated our group's concerns about gaps in the flood modelling associated with the preferred route which was presented to the Project Reference Group in 2017. To date, this submission was not responded to. We believe that there was no transparency on the design process nor the opportunity to validate the appropriateness of the designs to assuage our concerns prior to the lodgement of the Environmental Impact Statement. Financial planning and cost benefit analysis relating to this route selection were not fully costed at that time and, in any case, would be outdated by now. When the review of a rail line to the west of the proposed corridor was undertaken, rather than ARTC fully investigating our concerns about the flooding impact, the Senate Inquiry found

the Australian Government's decision to conduct a further review appears to be largely guided by the underlying parameters of Inland Rail (particularly the 24-hour turnaround threshold), rather than addressing the primary concerns, which are to consider alternative and potentially more appropriate crossings of the Condamine floodplain to the benefit of all stakeholders.

Despite a review team having been appointed, the Senate Inquiry questioned, “

whether the ARTC would integrate the necessary changes into the flood modelling and reference design features. The committee's concern is validated by the independent panel also expressing concern for potential ARTC resistance to the adoption of amended models and larger waterway crossings based on the panel's findings. In addition, the committee is troubled by the independent panel's comment that some landholders may not be aware of their increased flood risk due to erroneous flood modelling. A further concern held by the committee is whether the findings of the independent panel will be adequately integrated into the EIS processes and the final design of Inland Rail.”

Such a finding from an all-party Senate investigation confirmed our growing suspicions about the sincerity of the ARTC in any fair and transparent dealings with us.

The flood events over the past decade are massive issues for our community and their livelihoods. We are being asked to trust an organisation in ARTC which, under its various iterations of personnel, has never been prepared to listen to nor place its trust in us. The flood methodology is only as good as the data fed into it. The current parliament has a belief and presumably supported by expert advice that climate change related flood events will become more frequent and more severe. We are in no position to scientifically refute those claims. Yet the claims heighten our concerns that the building of this alignment across a flood plain imposes huge risks for us and the results of any risk miscalculation will be fully borne by us. So, in that sense, we gain little or nothing from the project but bear the full consequences if the assumptions are wrong. Even in the most recent flood events, some Queensland Rail equipment is bogged, almost buried, adjacent to a rail embankment with the farmer bearing the full impact of soil erosion. This embankment is a fraction of the size of the pylons envisaged by the ARTC. As the Senate noted, there are concerns that the ARTC may not fully integrate the final design into any EIS process. This is a massive condemnation of the ARTC which is why our alternative suggestion should and must receive your Independent overview. The ARTC rail embankments if not implemented could aggravate flooding issues and/or accelerate soil erosion issues which would be ruinous for those landholders.

The draft EIS lodged by the ARTC on the Border to Gowrie option as the preferred route failed to detail matters at a relevant scale for the localised impacts to be assessed and mitigated for businesses, infrastructure, environment, agricultural operations, and local communities. Each element of the route alignment and design influences the type and extent of impacts. It is essential for you that when analysing and comparing “like for like” that these matters are

finalised.

E assess opportunities for enhancing community benefits along the route

The lack of trust from the community towards the ARTC created by the lack of mature open engagement has meant that the community has a high degree of cynicism towards the project. For example, we have been told that there would be jobs in the construction phase. In reality, there are no firms of sufficient scale in the Border to Gowrie section to undertake the work. The fear is that rather than be a nett benefit the construction phase may cause shortages in the existing businesses as employees seek the short term higher paying jobs offered by the construction companies. The longer-term employment as a result of the project is miniscule. In all likelihood, these jobs will not be located in the local area. It is against this background, that the ARTC support of local organisations is perceived as superficial. A genuine attempt to engage with local people, listen to their concerns and take actions to improve their situation would be a huge advancement on what has occurred to date.

F review ARTC's engagement and consultation approach, including options to improve engagement with communities and other stakeholders along the route; and develop a pathway to consider community concerns with the alignment.

At the outset, our group has tried to meaningfully engage with the ARTC in the various processes that were set up. We paid professionals to help us respond to the requests for information from the ARTC. In return from the ARTC, we discovered that land use, resources, surface water and hydrology, ground water, noise and vibration, social and economic impacts all lack detailed and quantifiable information to properly determine and assess impacts at a local scale. Since 2015, commitments have been made by the Australian Government that the EIS process would involve assessment of the detailed design to determine and address impacts. There was no transparency on the design process or opportunity for validation of the appropriateness of the designs prior to EIS. Financial planning and cost benefit analysis relating to this route selection was not fully costed and therefore not accurate enough to inform decisions.

The Senate Committee found that

The Inner Downs Inland Rail Action Group called representatives of the ARTC 'cowboys' that 'rocked up to people's places in unmarked vehicles, with no weed hygiene certificates and not even a policy to follow' and suggested the 'consultation at the beginning was absolutely appalling.

The example of the largest employer in the district, D.A. Hall, and Company, is instructive but regrettably not the only example of the failure in consultation. The Senate Report noted

DA Hall, which owns multiple properties in the Millmerran region accounting for 30,000 acres. Despite the significant economic contribution made by DA Hall to the region, its representatives described its consultation with the ARTC to be 'nothing short of disgusting', with many questions remaining unanswered.

Our experience on the southern Darling Downs is replicated with examples in rural and regional areas and in the suburbs of Brisbane. We are left to contemplate whether the Australian Government authorities are the best equipped to seek the views of local people and act where appropriate to their requests for information and for transparency. The political process has not helped them especially when we were informed that no further changes were contemplated even before the Environmental Impact Statement process had been completed nor before the International Panel of Experts studying the hydrology had delivered its report. The failures have been at the political and Authority level.

Summary

We have at all times sought to be constructive in our dealings with the ARTC. We have put forward alternatives which do not move the problem to someone else. The issues raised by the current rail alignment poses huge risks for us as families, farmers, and community members. Long after the construction companies have left and the people in power for this project have retired or moved to other positions, we as a community are going to be left with the daily consequences of their decisions should their methodology prove wrong. This is why accurate transparent information is needed. We welcome your overview of what has occurred. Above all, we would welcome the chance to meet with you and your Committee on site in Millmerran. This provides you the opportunity to see the issues for yourself and test our views against those of the people who, to date, have given you, their assessments.

Wes Judd Chair Millmerran Rail Group 