

Your Ref: R15/0016 – Out-00028731

4th April 2019

Ms Tara McCarthy
Chief Executive
Local Government NSW
GPO Box 7003
SYDNEY NSW 2001

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OUT-28731

Dear Ms McCarthy

Thank you for your letter dated 19 March 2019 (received in my office on 26 March) regarding certain resolutions of the 2018 Local Government NSW Annual Conference, and in particular Resolution 27 put forward by Gilgandra Shire Council.

At the outset I would like to reiterate that we have enjoyed a very positive relationship with Gilgandra Shire Council, which has long been a strong supporter of Inland Rail, and recognises the significant benefits that Inland Rail will bring to both the shire and broader western NSW region. This does not mean, however, that there are occasions when we have held differences of opinion or where from time to time ARTC and Inland Rail could have, and undoubtedly should have, been more responsive to requests for information or suggestions put forward by the Council.

Meaningful engagement and consultation with landowners and key stakeholders such as Gilgandra Shire Council lie at the heart of success for ARTC and Inland Rail, and I apologise if for some reason Council doesn't believe that it yet has received a significantly clear answer as to the reasons underpinning the selection of the current Inland Rail study area, and hence likely final rail corridor, in this part of New South Wales.

As you may be aware, ARTC has placed on its Inland Rail website a significant amount of detailed information on the selection of the study area for the Narromine to Narrabri (N2N) Project which traverses the Gilgandra Shire. This information, and summaries in the form of presentations, has been made available to the Council, and a detailed rationale for selection of the study area for this project set out also in a detailed response on 23 October 2018 to questions posed by the NSW Farmers Association, also publicly available on the Inland Rail website.

In relation to the specific question as to why Inland Rail doesn't use at least a significant part of the existing Dubbo – Coonamble line, the answer is that it does not make sense to do so.

Inland Rail is being planned and designed to achieve four pillars of the Inland Rail Service Offering, these being a freight rail service that delivers a Melbourne – Brisbane transit time of 24 hours or less, 98% reliability, freight availability when the market requires and is cost competitive with road. To achieve the Service Offering means that Inland Rail needs to be fast, straight, flat and safe.

The 2015 Inland Rail Business Case, endorsed by Infrastructure Australia in May 2015, makes it clear that the overwhelming demand for Inland Rail will come from inter-capital non-bulk freight destined for domestic consumption in Melbourne and Brisbane; that is, freight such as manufactured beverages,

whitegoods, post processed foods and other grocery items, which by 2050 will account for just under 70% of the goods moved on Inland Rail.

The Inland Rail study area determined by the Australian Government for the N2N project includes 91km of new track development within the Gilgandra Shire.

There is approximately 67km of the exiting Dubbo – Coonamble rail line within the Gilgandra Shire; however, use of some or much of this line for incorporation within Inland Rail was comprehensively examined across three detailed route assessment workshops conducted in October 2016, December 2016 and May 2017, and was subject to a significant amount of consultation with landowners and communities along the 300km of the N2N project.

The general direction of the Inland Rail line for the N2N project is north and east, whereas the Dubbo – Coonamble line runs north and west. A range of options for following the Dubbo – Coonamble line were assessed in late 2016 and the most favourable option considered (Option 201 considered in October 2016) still added 16 minutes to the overall transit time and an option of going closer to Coonamble would add around 18 minutes as well as add just under \$50 million to construction costs. In December 2016 an option to utilise the Coonamble line only as far as Gulargambone was assessed but not accepted, again on the basis that it added both cost and time with no compensating benefits.

The issue is also compounded by the fact that were Inland Rail to go to or close Coonamble there would still need to be a greenfield section constructed to get back towards Narrabri. Indeed, the option favoured by NSW Farmers Association and proposed in 2018 for transiting between Narramine and Narrabri would add 38.9km in distance, around 24 minutes in transit time, cost an additional \$56.4 million and impact 179 private properties compared with 183 impacted by the current Inland Rail concept alignment.

I trust that the above is of assistance in answering the queries raised by Gilgandra Shire Council, and further detail in relation to the above can be found on the Inland Rail website in the section on the N2N project.

I would be happy to have the CEO – Inland Rail, Richard Wankmuller, brief you and other executives of Local Government NSW should you consider there to be benefit in doing so.

I thank you for taking the time to write to me on this matter.

Yours sincerely



John Fullerton

Chief Executive Officer & Managing Director

Australian Rail Track Corporation

cc. Hon Michael McCormack MP, Deputy Prime Minister