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SENATE

RURAL AND REGIONAL AFFAIRS AND TRANSPORT
REFERENCES COMMITTEE

Management of the Inland Rail project

THURSDAY, 30 JANUARY 2020

BRISBANE

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SENATE

RURAL AND REGIONAL AFFAIRS AND TRANSPORT REFERENCES COMMITTEE

Thursday, 30 January 2020

Members in attendance: Senators Hanson, McDonald, Rennick, Roberts, Sterle, Watt.

Terms of Reference for the Inquiry:

To inquire into and report on:

The management of the Inland Rail project by the Australian Rail Track Corporation and the Commonwealth Government, with particular reference to:

- a. financial arrangements of the project;
- b. route planning and selection processes;
- c. connections with other freight infrastructure, including ports and intermodal hubs;
- d. engagement on route alignment, procurement and employment;
- e. urban and regional economic development opportunities;
- f. collaboration between governments;
- g. interaction with National Freight and Supply Chain Strategy; and
- h. any other related matters.

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CHAIR (Senator Sterle): Good morning, everyone. I declare open this public hearing of the Senate Rural and Regional Affairs and Transport References Committee. The committee is hearing evidence for its inquiry into the management of the Inland Rail project by the Australian Rail Track Corporation and the Commonwealth government. I welcome you all here today. This is a public hearing, and a *Hansard* transcript of the proceedings is being made.

Before the committee starts taking evidence, I remind all witnesses that in giving evidence they are protected by parliamentary privilege. It is unlawful for anyone to threaten or disadvantage a witness on account of evidence given to a committee, and such action may be treated by the Senate as a contempt. It is also a contempt to give false or misleading evidence to a committee. The committee prefers all evidence to be given in public, but, under the Senate's resolutions, witnesses have the right to request to be heard in private session. It is important that witnesses give the committee notice if they intend to ask to give evidence in camera. If a witness objects to answering a question the witness should state the ground upon which the objection is taken. The committee will determine whether it will insist on an answer, having regard to the ground that is claimed. If the committee determines to insist on an answer, a witness may request the answer be given in camera. Such a request may of course also be made at any other time.

On behalf of the committee, I would like to thank all of those who have made submissions and sent representatives here today. I now welcome our first witness. Would you like to make a brief opening statement before we go to questions?

Mr Cummins: Thank you for giving me the opportunity to address you today. I'm particularly thankful for your interest in what is ostensibly a freight rail project but really in our view goes much deeper than that. This goes to the heart of how we move freight around the country, how importers can serve their markets and how exporters can reach global markets. It's actually critical to the economy of the country that we get long-term supply chain investment and infrastructure right, but we must do this whilst minimising the impact on our communities. It's important that any planning and investment activities bring the community along with us and minimise the impact on them.

From a Queensland perspective, clearly what sets our state apart—I'm sure those of you who live in Queensland will appreciate this—is our lifestyle. Queensland has enjoyed an enviable lifestyle. We've enjoyed enviable economic growth, and that economic growth has in no small part been driven by population growth. To put that in context, over the last 15 years the population of Queensland has grown in the order of 35 per cent. That's quite impressive. If I were to tell you that during the same period the freight task as measured by the number of containers servicing the population grew by 135 per cent that might give you an impression of the scale of the growing freight task. It's therefore not hard to predict what the future is likely to look like. We can conservatively predict that in the next 15 years the freight task will conservatively double. In the next 30 years, by the middle of the century, it will more than triple.

Let me put that in context for you. At the moment the port of Brisbane handles over 1.3 million, nearly 1.4 million, TEUs—containers—each year. That generates on our roads about four million truck movements each year. If we cast our minds forward to the middle of the century, that means we are looking at a freight task in the order of 5.1 million containers through the port, generating over 13 million truck movements on the same roads and infrastructure that we have now. That's quite a stark statistic, but let me share with you one that is quite frankly somewhat embarrassing—that is, of those 1.4 million containers that we handle now, only two per cent go by rail. Ninety-eight per cent of all of that volume is moved by truck. That modal share has been steadily declining year on year for over a decade. My point is this: if we do nothing to address this the future is quite predictable. We are condemning ourselves to a flood of trucks onto our roads. That will have significant impacts on the community. It will have a significant impact on our economy. It will speak to congestion. It will speak to safety. It will speak to emissions. It is a very stark future.

You might ask what Inland Rail has to do with all of this. As the committee is acutely aware, I'm sure, Inland Rail in its current form does not connect directly to the port of Brisbane. In fact, it stops 38 kilometres short of the port. Our good friends at the ARTC, who you no doubt will speak to later today, will tell you that in fact there is a connection to the port, that you can get rail to the port of Brisbane, and, theoretically, that is of course correct. There is a rail line. But unless we do something to connect the port directly we will be expecting the increased train numbers—larger, faster, double-stacked trains—to use the existing congested passenger network to get to the port, the same, existing passenger network which has condemned the freight share to two per cent now. What

will occur is very predictable. The passenger network is only going to grow in its patronage numbers as new passenger projects come online. Freight will therefore have to deal with peak-hour curfews, operational restrictions and maintenance and emergency downtime. Essentially, its ability to service the economy will come under pressure. That means the current network, which has condemned us to such a low modal share, will not change the picture one iota in the future. We will have a costly and inefficient system of getting freight to and from the population that needs it, and we'll condemn ourselves to a heavily congested truck future. So that concerns us.

We commissioned a report by Deloitte Access Economics, which we have shared with the committee. That report, a very erudite report, concludes that, if we were able to achieve a rail share of about 30 per cent, which would be a reasonable global average—our southern neighbours already achieve modal shares around 20 per cent—we could take 2.4 million trucks off the road by 2035 and we could generate social, economic and environmental benefits in the order of \$820 million per annum. We think that's a pretty compelling statistic.

So we're hopeful that our voice can be heard and that we do not miss this opportunity to have a nation-building project which is truly nation building. We welcome the opportunity to engage with the committee. There has been some progress. We are heartened by the fact that the mooted SEQ City Deal does put a dedicated freight-rail connection to the port of Brisbane at the heart of that, through the trade and enterprise spine. We're equally heartened by post the signing of the recent intergovernmental agreement; the federal government has committed \$20 million, to be matched in kind by the state, towards a business case plan to be developed for a dedicated connection to the port. So they are positive signs.

Certainly I'm very appreciative of your interest. We extend the invitation to all of you to come and visit us at the port of Brisbane, a truly world-class port. We are determined never to be the limiting factor to trade. And, on that basis, I welcome your questions.

CHAIR: Mr Cummins, thank you very much. I really appreciated your opening statement, as I have a slight interest in transport. I have been arguing since the nineties that we've been told very clearly by the bureaucracy that the freight task was going to double. We were told that in the mid-nineties. We were told that it would be by 2020. We are now told it will be by 2030, and it's scary. The sad part is our political decision-makers are not listening. This is the sad part. Another thing I want to say—it is a statement, colleagues, but I'm going to get to questions—is that it enlivens me that, in this nation when we talk about freight, somehow for some reason—and I have no explanation; the government ministers can answer this—shipping does not get included. They're very busy talking about passenger rail-freight movements. We're very busy condemning having too many trucks on our roads—and God only knows the truckies more than pay their way. So I'm really heightened, because one day the light might go on in Canberra and they will understand there is a fourth mode of transport that is essential to this nation apart from aviation, rail and road, and it is shipping.

Senator ROBERTS: We are an island nation.

CHAIR: We are an island nation. You've heard my arguments there, Senator Roberts, for many years. So let me just clarify a few things. I have also argued that, while our nation's leaders are drooling at the feet of the mining companies, we can have the best resources in the world but they have to get to the destinations and our markets and that usually is on roads and rail before it gets to the ports. So now I've had my spiel; I'm starting the day on the wrong foot. But let's go to the Melbourne-Brisbane rail link, because I don't quite get this. From listening to the arguments made, we would assume that all these containers are going to come up—and we don't know how many containers, we don't know how many carts, we don't know how many trains are going to be run but no doubt we'll find out—to go to the port of Brisbane, a beautiful leap between Melbourne and Brisbane. I'm of the view that the freight that's going to be taken off the road to be put on rail is not destined for the port. I may be wrong, but ships actually go into Melbourne as well. They're going to come up here and then be distributed, delivering whitegoods, food, clothes, machinery and all that sort of stuff. So I really want to dissect and get the truth on the table here for the people of Brisbane to understand. We can have all these wonderful announcements during elections about how great we are because we're going to build this great nation-building link. The freight still has to be delivered to the stores, the warehouses, the shops, the homes and all that sort of stuff. I would be interested, Mr Cummins, in your thoughts around that. Am I missing the point that a lot of freight will not go directly out of the Melbourne port; it will go up on the train to Brisbane port?

Mr Cummins: I would describe it as follows. There are two very important supply chains which service the economy and they typically come through the nation's ports. One is an import supply chain. An import supply chain typically is bringing all the things that the population needs. Consumers need the white goods. They need the furniture. They need the footwear. That is very much driven by the population density of the state. Typically all of those imports, the vast majority of imports, will come through the major port gateways. Those laden full

imports typically constitute half of the container volume, and they must move from the port to the hinterland and they have to do that efficiently. At the moment the only way that is achievable in Queensland is by putting them onto heavy trucks. One can envisage a future where, if we had a dedicated connection to the port, you could run high-frequency cost-effective port shuttles to distribution centres to where they could be distributed locally either to stores or customers direct.

The export supply chain is somewhat different. The export supply chain really speaks to the economic competitiveness of this country to get its manufactured goods and especially its agricultural goods to key global markets. In that regard, we are competing with other major producing countries in Asia, South America, Europe and the US. We have, particularly on our cultural front, huge capacity, notwithstanding climactic variation, to service 50 per cent of the world's population in Asia, and our location is incredibly favourable, particularly from Brisbane, where we have the shortest steaming time to key markets in Asia. Our location is incredibly favourable compared to our major competitors, South America, Brazil, the US.

We should have a supply chain advantage. That means speed and cost to market. If we could have an efficient, frequent, cost-effective, high-volume rail connection to the port, that would relieve the handbrake that currently exists on the export potential of this country. I know that when I speak to the mayors in the shires they're fully aligned to that point of view.

So, in short, the import supply chain services the population and they are hampered by the inefficiency of the road systems that will get ever more congested. The export supply chains—really, unless we do more, we'll apply a handbrake to the growth.

CHAIR: Thanks, Mr Cummins. But once again it brings me back to this: we know for a fact that the Melbourne-Brisbane Inland Rail is a freight route. We get that. But where is it in the plans—or am I missing this somehow—that it will stop in certain parts of rural Queensland and rural New South Wales to pick up goods destined for the export market via sea? I know what you're getting at, but I also know the steaming time between Melbourne and Brisbane and the rail link—I shouldn't say that; yes, I should say this—the ARTC's main argument is that the transport industry will support this as long as it's only 24 hours. If the transport industry had that much pull why can't they pay their people properly? That would be the first question I would ask—but anyway. To steam a ship from Melbourne to Brisbane, how long does that take? If we're loading up a ship of containers in Melbourne for the export market, how long does it take before it goes past Brisbane-ish?

Mr Cummins: The first point I with would make there is that at the moment there is practically no coastal shipping in Australia.

CHAIR: You're going to fire me up here, Mr Cummins. That's another one of my pet hates.

Mr Cummins: Which is I think a crying shame.

CHAIR: It's a crime. I don't know about crying.

Mr Cummins: Theoretically you could steam between Brisbane and Melbourne in approximately three days.

CHAIR: Three days. Okay.

Mr Cummins: Or four days, depending on your type of vessel and speed. The issue I think—and you perhaps need to ask the ARTC later, and I'm sure you will—is that much of the ARTC business case is predicated on domestic movements. Of course, they will be important, and, if they can move cargo off the road, off the Newell Highway onto trains, then that is good, and there are various domestic hubs being established in locations such as Parkes and others. So that is very much speaking to the domestic movement freight, which is important. But the huge missed opportunity is to connect the inland to the world. At the moment, we have a situation where the Inland Rail truly is inland. It doesn't connect directly to the port of Melbourne nor directly to the port of Brisbane. This is a huge opportunity being missed, and I fear that for us to invest so many billions of dollars into a nation-building project without looking at it in a holistic manner is not joined-up thinking. That's my concern.

CHAIR: I'm going to take up your offer and visit the port of Melbourne, but I'm going to have to go to the other expert on ports on the panel—that's what she told me yesterday; she's now an expert!—Senator McDonald.

Senator McDONALD: I'm not an expert on ports, but I am very interested in them.

CHAIR: You had a couple of days on the port.

Senator McDONALD: Yes, and on trucks, observing.

Mr Cummins: Please come and visit us.

Senator McDONALD: Thank you very much for your presentation. It was very comprehensive. I have a couple of questions for you. The first is that you've made the point in your submission about the challenges

between Acacia Ridge and the port. I agree; I think that's a really significant issue. There's not much point building a rail line to then put everything primarily on trucks again. Is there any potential, or is the door closed, for Cross River Rail to have a freight component?

Mr Cummins: My understanding is, in its current form, it is closed. The original proposal for a cross river rail, which I think dates to approximately 2010, did contemplate a freight component. Under that, there was a much longer tunnel section contemplated. In the current iteration of Cross River Rail, the tunnel component was essentially halved and the freight component removed. My understanding is that project is what advanced and is happening. I can't speak to whether it is too late to change that. That would be a question for the Cross River Rail Delivery Authority. But, in its current iteration, it does not cater to freight.

Senator McDONALD: That seems to be a bit of a failure of planning from the state government, then, knowing that we're going to double the freight requirements within the next 10 years. We're currently at four million truck movements, so that would move to eight million truck movements within Brisbane and no plan to get freight onto a train out of the port.

Mr Cummins: The Cross River Rail project has, at its core, the need to deal with increasing passenger numbers. It's dealt with that part of the problem. It's put to one side the issue of the freight task, and the freight task is quite simply servicing that population. So, if you put it to one side, you're essentially kicking that can down the road.

Senator McDONALD: Given that that can has been kicked, there was quite a bit of discussion yesterday about the Gladstone port and whether or not the Inland Rail should just bypass Brisbane altogether. I don't support that view, but I would like you to talk, if you could, about this concept of the rail supporting the domestic population in Brisbane. What I would like to ask you is: what is the proportion of containers that are coming into the port of Brisbane or the port of Melbourne that are then going to be used to service the bigger population of South-East Queensland?

Mr Cummins: I think it's a very pertinent question. Of course I've heard of proposals to route Inland Rail to other regional ports. You would only, essentially, be addressing a part of the problem if you did that. As I mentioned earlier, half of the freight task—an extremely important part of the freight task—is imports. These are imports that all of us have in our homes and are servicing the population. As I mentioned, furniture, footwear, toys and e-goods—you name it—are all coming in through the port. To reroute a nation-building piece of infrastructure to a location with a low population base is to condemn that import supply chain to be very inefficient and costly. You must remember that practically every major shipping company in the world calls on a weekly basis at the major shipping hubs, and the port of Brisbane is one of those. So you connect that import supply chain to the world through regular, low-cost shipping connections. The idea is superficially attractive, but it would actually be a very inefficient and costly outcome, both for the project itself and for the nation.

Senator McDONALD: I think one of the reasons that is being considered as attractive is concerns about coal, or additional coal, coming through Brisbane. What proportion of the freight movements are container, as opposed to coal?

Mr Cummins: There are different ways to look at it. In terms of coal movements through the port of Brisbane, we typically do about seven million tonnes of coal per annum. In the grand scheme of things, for major coal ports that is pretty marginal. In terms of our trade revenue, coal accounts for less than 10 per cent of what we do. The major engine of trade at the port of Brisbane, measured by revenue and value, is very much containers. It accounts for well over half of our activity.

Senator McDONALD: So most of the coal is going out through the northern ports. You would be seeing coal from New Hope and—

Mr Cummins: Yancoal and New Hope. It's a relatively small stream of coal. It hasn't been growing in the last four or five years.

Senator McDONALD: And there will be some discussion later today, I assume, about the route for taking freight from Acacia Ridge across to the port of Brisbane. I think we have some residents here who want to speak later about it not going through their backyard. Do you have any recommendations, or does the port have a view, on the practicality of that, or does the port have a view on a better route?

Mr Cummins: We have never taken a view that there is one specific route that is better than another. Our view is that we need all levels of government and the community to get consensus behind a corridor. In that regard, a corridor assessment study has been completed. It was jointly funded by the state and federal governments. That study was slated to take six months. That was two years ago. We would like that study to be released. If we can get agreement behind a preferred corridor we can engage the community in that discussion. At

the very least, the one thing we must do is preserve and gazette that corridor. If we don't preserve and gazette a corridor that the majority of people can support, that opportunity will be lost. That corridor will disappear. That is our prime focus, Let's get behind one corridor. Let's release the study. Let's have a debate. Let's get consensus. Then we must preserve that corridor. Only then can we genuinely have a fighting chance of developing a business case and seeing how we can implement and deliver that connection.

Senator McDONALD: I'm just a bit perplexed that ARTC is pushing through a decision on a rail route to meet this 24 hours from Melbourne to Brisbane, when the reality is that between Toowoomba and Acacia Ridge and Acacia Ridge to the port there is no certainty, there is no agreed route, there is no engineering. For all we know there could be another 24 hours on that portion. That's a statement; I won't ask you to comment on that.

CHAIR: Mr Cummins, don't ever go to a camera for a crew; you make too much sense!

Senator ROBERTS: Thank you for coming today, Mr Cummins. A lot of people assume that there's intelligence in Canberra. I've yet to see too much of it. So treat us as ignorant, please. Can you tell us the ownership of the operator of the port of Brisbane?

Mr Cummins: The shareholder ownership? The majority ownership is held by two Australian superannuation funds—Queensland Investment Corporation and IFM Investors based in Melbourne. The balance of the shareholding is held by two international shareholders. One is a Canadian superannuation fund, and the other is Abu Dhabi Investment Authority. That is the sovereign wealth fund of the UAE.

Senator ROBERTS: That's a government entity?

Mr Cummins: Yes. In essence we have four key shareholders, all with a very long-term view on investment.

Senator ROBERTS: And that's a monopoly on the port—you are the only operator at the port of Brisbane?

Mr Cummins: We are essentially a privatised port authority. Within the port there are a number of operating entities that compete against each other. We provide the facilities and the infrastructure which enables the likes of Patrick and DP World and Hutchison to compete for shipping business.

Senator ROBERTS: I accept your point about the wonderful opportunity of being close to 50 per cent of the population of the world. I accept your very simple—I mean this as a compliment—portrayal of the two trading opportunities, exporting and importing. I disagree with you that population drives economics. Obviously if we had double the population we would have a much bigger economy. What really drives the economy is cheap energy and the access to water and land. We're choking all of those in this country. They're my biggest fears. My questions come about, looking at this role of guardians of the economy, if you like—we have to hold the government accountable for the economy. Productivity is vital there. We're destroying productivity in this country. Second is security. I was frightened by the risk that we learned about yesterday in southern Queensland. Then, in the future, as you point out, that's a hell of a risk if we don't get it right. There doesn't seem to be much organising on that. So just a few simple questions. When it comes to bulk exports, you're talking about agricultural products and minerals, primarily coal.

Mr Cummins: That's right.

Senator ROBERTS: What capacity do we have for storage of coal, the exports of which will hopefully increase, at the port of Brisbane?

Mr Cummins: The capacity for coal handling at the port of Brisbane, in domestic and global terms, is relatively restricted. As I said, at the moment we have a throughput of about seven million tonnes. Contrast that with Newcastle, where they have 150 million, or something of that order. Storage capacity at the moment? I think the nameplate capacity is about 12 million tonnes. It is of that order. Then you have the restrictions on rail paths through the network, which essentially caps the number of trains that can get through. It's in that sort of range.

Senator ROBERTS: That 12 million surprises me. It's much higher than I would have thought, especially given the seven million throughput per year. So you could handle a lot more, except for trains.

Mr Cummins: Theoretically, if the train paths could be allocated and the service could be provided by the rail operators, we could increase the capacity to that sort of 12 million tonnes.

Senator ROBERTS: What about other bulk commodities, like grains and other agricultural products?

Mr Cummins: Yes, we have great capacity for handling increased exports of grains, chickpeas, cotton, barley, wood, woodchips and logs. There is significant latent capacity available at the port for that.

Senator ROBERTS: Have you put any thought into where the best intermodal would be? Would it be Bromelton, Ebenezer—

Mr Cummins: There are a few ideas being promulgated. Essentially you would look to have them in satellite areas which sustain either a local population or an export hub. Locations such as Toowoomba have been mooted as a logical catchment area for exports to be distributed to the port. Bromelton is of course a planned development. In fact I understand that the STC Group has already started some operations in Bromelton. Ebenezer? Yes, indeed, somewhere in that Ipswich area—

Senator ROBERTS: That would put a good link directly into the Inland Rail.

Mr Cummins: Yes, correct.

Senator ROBERTS: And it's got access to Cunningham Highway and other highways.

Mr Cummins: It is one of a number of logical locations.

Senator McDONALD: Senator Roberts, can I ask if Warwick would also be on that list?

Mr Cummins: Potentially; I'm not aware of any particular advantage of Warwick versus Toowoomba, but certainly somewhere in that range attracting that western catchment would be logical.

Senator ROBERTS: Coming back to a topic Senator Sterle raised, which has also been of concern to us and we've discussed it a lot in parliament and publicly, is shipping around the country. We are an island nation, yet we've got virtually no coastal shipping. That's largely due, as we understand it, to taxation policies over the years by various governments, and other things, that have impacted that. What would be the position of roll-on roll-off shipping between ports instead of land?

Mr Cummins: It's an interesting question. It's something that we see being promoted in other parts of the world, particularly if you look to Europe, where they have their Motorways of the Sea policy, which is very much driven at that RORO-type activity. To be frank, you also have to look at geography. RORO works when you've got two landmasses separated by a body of water with population centres between and frequent movements. In the European context that speaks to places like the Baltic or the Mediterranean. I can see that there should be opportunities in Australia. Tasmania is crying out for better connectivity to the rest of the country and, indeed, to the rest of the world, because most of their throughput must come through Melbourne before it can go on to global markets. And there are opportunities, I think, for coastal shipping, particularly within states. So there is great untapped opportunity for the development of coastal shipping between places such as Brisbane and Townsville. Townsville has a significant population. It's a very important centre for North Queensland. Were there to be policy settings which incentivised the movement of freight and vehicles between Brisbane and Townsville, for example, that would be a very logical development and would take pressure off road and rail infrastructure.

Senator ROBERTS: Can I ask a personal question? Where are you from? Where were you raised?

Mr Cummins: I was born in London. I went to university in the UK.

Senator ROBERTS: You have a slight English accent. And you went to university there?

Mr Cummins: I went to university in the UK, and I moved to Australia 20 years ago. I can't shake the accent.

CHAIR: There is a hook here, lined up!

Senator ROBERTS: I haven't got a hook for you, but I'm just wondering if you'd be willing to go a little bit into your private thoughts and maybe make them public, because, as you pointed out, this issue and the inland rail in particular is essential for the future. If we get it wrong, then we've stuffed up the future. Working with ARTC, what is your opinion to date, and what is your opinion of the government in general? I'm not asking about the Morrison government; I'm talking about government as it stands in Australia over the last 20 years. It scares me.

Mr Cummins: There are some big-ticket questions there.

Senator ROBERTS: If you don't want to answer them, that's fine. I understand you're enmeshed in politics at times.

Mr Cummins: No; I try not to get enmeshed in politics. From the ARTC's perspective, I think it's fair to say that what we say in public to gentleman such as yourself and to the press and to stakeholders is exactly the same thing we say to ARTC. So we have a boringly consistent message, and it's a message that we believe sincerely in. I think it's fair to say that the Port of Brisbane and the ARTC have some fundamental differences of opinion as to the need for a direct connection, the timing of a direct connection and the justification for it. I think we have some fundamental differences.

Senator ROBERTS: You'd like it direct to the port much sooner?

Mr Cummins: We can absolutely see what the future looks like. You go to Sydney or Melbourne now and you see them trying to retrofit in order to avoid the congestion, which is the tsunami of trucks which is flowing

down their streets. It is very predictable, and it's not just here; it's overseas. The same patterns are playing out again and again. We have a unique window of opportunity to do this before the problems hit, and that's always a hard thing to convince people of. So we have a fundamental difference there. I think the ARTC are evolving. I certainly would commend the CEO, Richard Wankmuller, for his improvements in the engagement with the community. That was something that was a concern, I think, to all.

Senator ROBERTS: We heard the same yesterday.

Mr Cummins: I think they have made genuine attempts to improve that, so I do commend them for that. I would say that, in essence, the ARTC are doing their best to deliver a project. It is a project where inherently they have an embedded network in New South Wales, so if you are in the ARTC, you would spend that money on enhancing your embedded network and hopefully that can be part of an entire nation building rail network. We appreciate their position. Our conversations with them are exactly as are the conversations I would have with you.

Senator ROBERTS: Yet I am told that 60 per cent of the cost of the ARTC is going to be spent in Queensland, so we need to leverage off that. I don't mean in terms of leveraging off that as a state but leveraging off the inland rail by using it for the state to bring stuff to the port.

Mr Cummins: I think the Queensland sections will be very expensive. I can't speak to the exact split of the expenditure.

Senator ROBERTS: I appreciate your frankness and I will take you up on the opportunity to visit the port.

Mr Cummins: Please do.

Senator ROBERTS: I would love to.

CHAIR: I don't know if you are aware but former senator Barry O'Sullivan was very keen to commence talks because Toll shipping have two redundant RORO vessels, as you would be aware. May I tell you that their connection between Tasmanian and Melbourne is extraordinary—I have been on the ship and gone down there. Were you aware of those conversations that started? He was actually talking about Brisbane to Townsville?

Mr Cummins: No, not in any detail.

CHAIR: Toll were very keen but somewhere in wonderland out here the political world fell over.

Mr Cummins: No, I've not been privy to those conversations.

CHAIR: You might want to follow that up.

Senator WATT: Thank you, Mr Cummins, for your evidence. I had a quick look at your submission while I was listening to you. I take it your central point is you support the project but you think that the fact that there is not this extra connection directly to the port is a missed opportunity. Is that your key point?

Mr Cummins: That is absolutely correct.

Senator WATT: You mentioned before that ARTC seem to have a different view of this. I will certainly ask them this as well when they give evidence to us today. Are you able to tell us what they say is the reason that the project as it is currently configured is the right one?

Mr Cummins: I think the ARTC have been given a project mandate and a scope which are about delivering an inland rail project and they are sticking rigidly to that. I think the connections to the port at both ends are the most complex and most costly parts of the an end-to-end connection, so I can understand why their focus is on the areas which are less complex and less costly. The contention that the existing connection to the port is likely to be fit for purpose for the next 20 years, which I think is the ARTC position, is, quite frankly, ludicrous. We can see in the last 10 years that the percentage of freight route moved by rail has declined from 12 per cent to two per cent, so how can bringing in longer, faster trains with double-stacked containers and stopping them 38 kilometres from the port and then expecting them to get through the same network which has been so inefficient and so costly possibly be fit for purpose? We have this fundamental difference of opinion on that.

Senator WATT: Has the Port of Brisbane gone any further to do any work around possible route selection to close that gap or whether it needs to be done by tunnelling or by other means? Has there been any work done on what it would look like?

Mr Cummins: There has been work done, and there have been, I think it is fair to say, three strong options that could be considered. Two of those have large tunnel components to them. Those three options are the ones which I believe have been focused on by the state and federal corridor assessment study, which is yet to be released. I believe that that study team has done a thorough assessment of those options and has considered the pros and cons, but we have yet to see the results.

Senator WATT: I was going to ask you about that, because I noticed in your submission you've said that the Port of Brisbane is:

... buoyed by the recent Federal-State Government commitment to the Inter-Governmental Agreement for Inland Rail, and the circa \$40m investment in 'further planning' for the Port Connection.

Is that what you were just referring to?

Mr Cummins: No; that's a secondary issue. Some two years ago I believe an amount of approximately \$2 million or \$3 million was jointly funded by the federal government and the state to explicitly conduct a corridor assessment study into which corridor would be the most viable. That study was slated to take six months. That was two years ago. We believe it's been completed; it just hasn't been released. That's outlining what would be the preferred corridor. Then the \$20 million that the federal government has committed in the recent statement, to be matched by the state in kind, is about developing the detailed business case based upon the preferred corridor that's identified.

Senator WATT: Do you know what kind of time frame the governments have in mind for this new study or further planning?

Mr Cummins: We don't have any concrete details. Whilst we welcome the \$20 million commitment from the federal government, we are disappointed that that funding ostensibly won't be made available until next financial year and we have no visibility on the timing of the development of any such business case. We think it is critical to get that out and to commit to a time frame for and delivery of that.

Senator WATT: Is it the state government who is leading the work on that with the federal government essentially funding it, or has it been more directly run by the federal government?

Mr Cummins: The study which has been completed was jointly funded but the activity was largely driven by the state government. It was under auspices, I believe, of the Department of Transport and Main Roads. The development and methodology of the business case has yet to be communicated. So we don't know.

CHAIR: Mr Cummins, thank you very much. We do know where to find you should we need to follow up. My office will contact your office to arrange a visit to the port the next time we are here in Queensland.

BURNETT, Mr Matt, Mayor, Gladstone Regional Council

Evidence was taken via teleconference—

[09:23]

CHAIR: Welcome. I invite you to make an opening statement before we go to questions.

Mr Burnett: Thank you. Firstly, I would like to start by thanking the CEO of the Port of Brisbane, who basically put the argument as to why this Inland Rail project should move towards Gladstone. He's basically said that they're not ready, they don't have the direct connection and they're congested. What I can say—as you'll see in our submission—is that that's exactly the opposite to Gladstone. I noticed earlier it was said that that's been discussed over the last couple of days. Hopefully, it will be discussed over the next few days, but, from a Gladstone point of view, we have the naturally deepwater port, which is one of Australia's largest multicommodity ports. So it certainly has the capacity to deal with alternative and extra freight. It's strategically located, with natural recourses across Central Queensland and the Surat Basin and other areas. Obviously we have strong supply chains to industry, a highly skilled workforce, a locally based construction capacity and a track record for delivering major projects. You just have to look at the major industry projects that have been built in our community over the last 10 to 15 years. The Gladstone port master plan—I'll let the Gladstone Ports Corporation talk more about that when they do their submission—identifies that the port is unconstrained and has the capacity to grow to over 300 million tonnes per annum. That's quite the opposite of what we've just heard from Brisbane.

The proposed Inland Rail extension to the port of Gladstone is supported by all Central Queensland councils. I am the Local Government Association of Queensland policy executive representative for district 6, which is Central Queensland. Also with CQROC—Central Queensland Regional Organisation of Councils—all member councils support the project coming to Gladstone. While I'm saying this, we're not opposed to the project going into Brisbane, by any stretch of the imagination; we're more than happy for the project to go to Brisbane as well. But we believe that while you negotiate all the issues that have been raised over the last day and this morning specifically by Brisbane—getting through Acacia Ridge and making that connection there—you can build this rail through to Gladstone, opening up through the Western Downs, through the Banana Shire and potentially the Central Highlands and connect into a port community that wants the project, a community that supports the project and will make the project happen. We can make that happen faster than the negotiations that will probably take place in Acacia Ridge.

While I'm still talking, I'd just like to talk about the RDA figures that we have for this project. The Toowoomba to Brisbane project is reported at an estimate of \$6.7 billion. Alternatively, the route going from Toowoomba to Gladstone is projected at between \$1.2 billion and \$2.7 billion, depending on the standard of construction. So there might be a few missing links that we might be able to connect up. What that will open up far outweighs the cost involved in that, and obviously it's a third of the cost of going into Brisbane itself. I note it was said earlier that this project is critical to the economy, but they also need to minimise the impact on communities. I think you'll find that the communities on the route to Gladstone are not only very supportive of it; the impact would be far less than it would be going through Acacia Ridge and potentially through Logan into the port of Brisbane.

I will just quickly mention that I've read the submissions from Toowoomba Regional Council, the Scenic Rim, the Council of Mayors and Lockyer. I'll let the Scenic Rim talk about their own submission, but they talk about bridges and level crossings. What worries me is: what is the actual cost of this project going to be if it goes into Brisbane? They're suggesting that they would like the level crossings to the Inland Rail project to be a grade separation. What are the additional costs for all of these things? And you heard some things this morning about mitigation of impacts on neighbours to the project and on tourism. I'm sure you've had a read through the submissions from the councils in the south-east corner. I won't speak for them, but certainly they all talk collectively about urban and regional development opportunities. You won't get a better urban and regional development opportunity than connecting this project through to the port of Gladstone.

As I said, we're not opposed to going to Brisbane; you could do both. When we talk about congestion in the port of Brisbane and we talk about congestion on our roads with trucking movements, imagine how much the trucking movements and congestion could be reduced by connecting this rail all the way from Melbourne right through to Central Queensland, which brings you closer to your Asian markets through shipping as well. I think it was said 1.4 million containers are going through the port of Brisbane currently. They expect that to go to 5.1 million as a freight task over the next 30 years, and only two per cent is on rail. I see that we can potentially increase that. Not only does that open up the opportunity for exports from Australia going overseas; it actually

improves the opportunity for alternative ports to develop for imports. It's a bit of a cart-and-horse situation, but I can tell you that, in Gladstone, when you build it they will come. And we have a track record proving that.

I note it was also said that the existing passenger network in Brisbane might introduce problems in terms of potential curfews. We're not going to have curfews coming through the regional centres of Central Queensland, and from Toowoomba in through Wandoan, as was said earlier. We've got a pretty good argument as to why this rail project from Toowoomba—Gowrie Junction in particular—through to Gladstone makes a lot of sense. Our submission says it there. I'm more than happy to answer any additional questions. From our point of view, it's not a case of one or the other. But, if you're going to pick one or the other, the logical choice is Gladstone, and all the information is there for you.

CHAIR: Mayor Burnett, my first thoughts were: I'm surrounded by Queenslanders; the best thing I can do is shut my gob and fade into the background. But, on saying that, can I play the devil's advocate? I know you've got a couple of supporters here.

Mr Burnett: Yes, please do.

CHAIR: I'm led to believe that the whole idea of the Inland Rail is to alleviate the truck movements between Melbourne and Brisbane for the delivery of all sorts of freight that we eat, drink, wear, use as machinery or whatever. But there now seems to be an argument going that somehow the Inland Rail will carry the majority of its freight for the export market. I don't know where that's come from, but that's what I'm seeing. But, if you run the rail up to Gladstone, aren't you just shifting one problem to another area—the majority of the freight will have to be distributed through where the larger population is in South-East Queensland, or am I missing something? I'm not allowed to use my Australian language here, but there will be a lot of trucks running between Gladstone and Brisbane!

Mr Burnett: Not necessarily. From my point of view, some of the trucking movements will be from Toowoomba potentially into Brisbane, certainly while the project is built from Melbourne into Toowoomba. Why do you necessarily need to take it to the port of Brisbane? If that's the case, if all this cargo and all these shipping containers are going to be distributed in and around South-East Queensland, then there's no need to take it to the port of Brisbane. It could potentially stop in Toowoomba. If it's going to get on trucks anyway it could stop in Toowoomba. And, as I heard earlier, there could be other alternatives for how they get it around South-East Queensland. But there absolutely will be exports and imports that go through this network, so, to allow Brisbane port to continue to do what they do, you could take the exports through the port of Gladstone, get them closer to the Asian market—and other markets for that matter; we're that many days of steaming ahead of our south-east counterparts. So, absolutely, some of it will be the whitegoods that you spoke of before, and they will want to get on trucks anyway, regardless. No-one's going to the port of Brisbane to pick up their fridge; I guarantee it. They're going to the Harvey Normans and the Beta Electricals.

CHAIR: Part of the Gladstone view is that there would have to be a freight distribution centre built in Toowoomba, correct?

Mr Burnett: I've always supported something along those lines. I've read Toowoomba Regional Council's submission. I think they support something in Millmerran. Putting it in the Toowoomba Regional Council area makes sense. They've got the Wellcamp airport as well. Some of the stuff might end up on planes. But if you want to get it on a ship and you want to get it out of Australia, our argument is: keep it on the train line and build that train line to the port of Gladstone. You can open up all that potential market in the middle. I know it's the C word, but I'm going to say it: there is potential to open up the Wandoan coal basin. We can export that coal or use it here in Australia as well. Coal is not a dirty word in Central Queensland, and, as long as the rest of Australia continues to enjoy the power that we supply, we'll continue to either export it or use it here locally.

CHAIR: You won't get an argument from me, because I'm not afraid of coal. There you go. I'll leave you on this. I'm pretty brave because you're miles away on the telephone. If there were that scenario, is that the only road? They'd want to put some money into that road!

Senator WATT: Thanks for your evidence, Mayor Burnett. Basically, your argument is: you can do both—you can do Brisbane and Gladstone—and that's the solution to the freight task in the future. Is that pretty much what you're saying?

Mr Burnett: It's a holistic approach. If they're talking about an Australian rail network—an export network and input network—why wouldn't you include Central Queensland as well? I'm happy for us to work in partnership with the Port of Brisbane. As they said, they're congested. We can help relieve some of that congestion. We can also support them. But if the issues in Brisbane become too much, as they seem to be—you've

got a community down in that area that are probably sitting in Millmerran right now protesting against this rail line—you're not going to get any protesters in Gladstone or in regional Queensland.

What we're saying is: build it to Gladstone first, while you negotiate and get your connections to Acacia Ridge or through Acacia Ridge. There are a couple of other options they're looking at. They want to secure one route over another one, and then you've got other people who are arguing. While all that goes on, probably five to 10 years in the argument, you can build the rail line to Gladstone and you can start exporting and importing and delivering some of that stuff around Central Queensland and to the north and south. Although Brisbane—I get it—is a major population centre, it isn't the centre of the universe.

Senator WATT: I think Queensland as a whole is the centre of the universe!

Mr Burnett: I agree with you. Thank you, Senator.

CHAIR: I think it's a long way from the other part of Australia.

Senator WATT: You've sort of covered this a bit in what you've said already, but we just had the Port of Brisbane in, giving evidence, which I think you heard.

Mr Burnett: Yes.

Senator WATT: One of the arguments for why the port of Brisbane was the way to go, rather than Gladstone, was the import freight task. But you think that's not a problem, because it's not one or the other; you can do both?

Mr Burnett: Yes. Brisbane is a distribution centre; there's no doubt about that. But the problem I see, and what he also said in his submission, is that not only are they congested on the road, but what's the capacity left of the port of Brisbane? They may say, 'Oh, yes, this is going to be all well and wonderful,' but if it's going to be a nation-building project don't you want to have, in the 30 years that we look ahead, or 50 years, or 100 years, a port that has the capacity to handle these extra imports and exports? At the moment Gladstone has cargo exports of about 124 million tonnes a year. The master plan for our port puts that up to 300 million tonnes a year, and it can go up again. We have the capacity to allow additional imports and exports. I think they argue against themselves. Again, this isn't Gladstone versus Brisbane. I'm more than happy for—as you've just alluded to—it to be both. There's no reason it can't be both. But I think you'll find you can actually build it to Gladstone in the time it takes to negotiate getting it through to the port of Brisbane.

Senator WATT: Okay. That's it for me. Thanks.

CHAIR: I reckon you're going to talk a bit about this, Senator Roberts.

Senator ROBERTS: Not a lot. He's said all that we need to say, I think. Councillor Burnett, I just want to compliment you on your refreshing comments. You've spoken so strongly for your area's needs and you've also been blunt about coal. Coal is turning on the lights right around the country, and it always will.

CHAIR: And the world!

Senator ROBERTS: Indeed. I understand your case is: 'It's not Gladstone or Brisbane; it's both. Let's take the opportunity, because sadly governance in this country is wanting and it will take a long time to sort out the connection from the Inland Rail to the port of Brisbane.' Correct?

Mr Burnett: Absolutely. And thank you, Senator. I've heard your speech in the last couple of days as well. From our point of view, it can be both, and probably, when you're talking about a nation-building project, it should be both. But in the meantime we can be up and ready, because we have a community that not only can build it but is welcoming the project, as opposed to some people—probably in the gallery there right now and certainly around other parts of South-East Queensland—who are going to be protesting against it going through into Brisbane.

Senator ROBERTS: You're also arguing for an extension to Gladstone on the basis of serving the Surat region and the Wandoan area.

Mr Burnett: Absolutely. Depending on where you go—we've got the Nathan Dam project, which could increase agricultural support. You've got the Yamala project in Emerald, in the Central Highlands, which could bring more agricultural exports to the port of Gladstone as well. There are so many trucking movements that happen to go past Gladstone, heading to Brisbane, at the moment. If we do have an Inland Rail project that really kicks off an import market and export market, as well as what we're already doing, we have the ability to extend on that. It might be a chicken-and-egg kind of hatching thing, but, if you have a look at what Gladstone is currently doing with, as I said, 124 million tonnes at the moment, we are more than prepared and ready to go to 300 million tonnes. It could be all kinds of different cargo. It doesn't have to just be coal, although we're probably one of the biggest exporters of coal in the country. We have LNG, we have woodchips, we have a number of other projects, and we import stuff as well and make some of the world's best aluminium.

Senator ROBERTS: Thank you very much.

Senator McDONALD: Good morning. Thank you for your presentation this morning. You touched on potential exports, agricultural exports, as well as mining. Certainly the work that's happened to open up the Hughenden, Richmond and Julia Creek areas to greater agricultural production is very exciting. Your local member, Ken O'Dowd, has been a big advocate of bringing the Inland Rail up to Gladstone. Do you think that it's possible to have both—a Brisbane connection and a Gladstone connection—or are you suggesting a Gladstone-Melbourne link?

Mr Burnett: Obviously we support both. I'll digress for a second. We've been trying to get on the Drought Communities Program for a number of months now, and we've just heard that we've missed the next round. But we support our neighbours being added to that, just as we support Brisbane being included. And do you know what? I'd be happy for this project to go to Mackay and up to Townsville as well. Why don't we connect all the ports in Queensland? But at the moment, the most important thing from my point of view is to get it to Gladstone and start using the Inland Rail project for what it was meant for while you negotiate getting it to Brisbane, which potentially is going to take you a number of years. We can have it up and running and built, exporting, importing and delivering the local produce and the local products around the state as well. The rest of it would potentially stop at Millmerran or Toowoomba and be distributed from there.

Senator McDONALD: Do you have any idea of the proportion of containers or freight that currently goes out through your port as containerised chickpeas and agricultural crops?

Mr Burnett: Off the top of my head, it's about 15,000 containers. We've always exported coal, LNG and alumina and brought the bauxite from Weipa. We make stuff here. We export stuff and we make stuff. We're trying to support our port and our community in moving into that import market and exporting some of our agricultural crops. Once upon a time the Port of Gladstone was not remotely interested in agriculture, but we've been able to talk with our friends in Brisbane, and the conversation about diversifying is absolutely there. That's what brings these projects together. I think if you can try diversifying not just imports and exports from Gladstone but what they're looking at with this project—it would make it a bigger nation-building project if it went further than from Melbourne through to Brisbane and nowhere else.

Senator HANSON: Have you been in contact with the ARTC, and have you put any recommendations to them about putting the line to Gladstone?

Mr Burnett: We have over the years, but not in recent times. I know the Port of Gladstone has been in contact with them as well. We figure that at this point in time they'll be listening to the Senate inquiry and taking our point from that. We'll certainly make our submission that you have in front of you available to them as well. But, from what we see, the ARTC should be listening to what the inquiry has to say. Hopefully the inquiry will recommend that Gladstone should be included as well, or, if not, be the alternative.

Senator Hanson, can I thank you as well. I know you were in Gladstone on Anzac Day, and I'd like to invite the entire committee back to Gladstone to come and check out what our city, our region and our port have to offer. I heard earlier that other ports and cities have invited you, and I believe some have been accepted, so please accept our invitation to Gladstone and to the port here as well.

Senator HANSON: I highly recommend it to everyone. What a fantastic show you put on for Anzac Day. It's a compliment to you as the leader of your community and also the community itself. Thank you.

Mr Burnett: Thank you, Senator.

CHAIR: Mayor Burnett, thank you very much. We'll take on board that offer of visiting the Gladstone port next time the committee is there. We wish you all the very best and thank you for your time.

ELDRIDGE, Mr Simon, Director Government and Stakeholder Relations, Inland Rail, Australian Rail Track Corporation

FULLERTON, Mr John, Chief Executive Officer and Managing Director, Australian Rail Track Corporation

McGREGOR, Ms Jan, Project Manager Inland Rail, Ivory's Rock Foundation

PICKERING, Ms Rebecca, Director Engagement, Environment and Property, Inland Rail, Australian Rail Track Corporation

WANKMULLER, Mr Richard, Chief Executive Officer, Inland Rail, Australian Rail Track Corporation

[09:45]

CHAIR: Welcome. I remind senators that the Senate has resolved that an officer of a department of the Commonwealth or of a state shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted. Officers are also reminded that any claim that it would be contrary to the public interest to answer a question must be made by a minister and should be accompanied by a statement setting out the basis for the claim. I now invite you to make an opening statement.

Mr Fullerton: Thank you, Chair. On behalf of everyone who works at ARTC, I thank the committee for the invitation to make a submission to the inquiry and for the invitation to appear today. I will make a few opening remarks and then, with the agreement of the committee, Richard will make some comments as part of the ARTC's opening statement. At the outset, I wish to reaffirm that ARTC is happy to assist the committee in its work, in whatever way members think best, during the course of this inquiry. We have provided a submission that sets out clearly what we see as the key issues and the key success factors for Inland Rail. We believe strongly in the quality of the work that we and many of Australia's leading economic and engineering companies have done over many years to develop a robust business case, endorsed by Infrastructure Australia, for a designated route that will ensure the economic benefits of Inland Rail are realised. ARTC is proud that the Australian government tasked us in 2017 to deliver Inland Rail in partnership with the private sector.

At its heart, Inland Rail is about two things: improving the efficiency and effectiveness of national and regional supply chains and encouraging a shift in freight from road to rail along the eastern seaboard, which is the fastest-growing region in Australia and home to more than 18 million people. Inland Rail is central to the success of the national freight and supply chain strategy signed onto by the Commonwealth and all states back in August 2019. It is a project that freight companies, regional producers and customers are crying out for to lower the cost of transport, ease the cost of congestion on our roads and provide Australia with a resilient, world-class transport network. And it is a project that will bring economic development and jobs to regional Australia during both the construction phase and the ongoing operations of Inland Rail.

Inland Rail has always enjoyed the bipartisan political support so essential for such a large-scale project of national significance. Like any nationally significant project, Inland Rail will directly impact people, and in many cases these impacts are unavoidable. ARTC acknowledges that and acknowledges the very real concerns of many landowners along the alignment. We are committed to engaging openly, honestly and transparently with people and to working wherever we can to minimise and eliminate those impacts. Richard, I will now hand over to you to conclude our opening statement. Thank you, Chairman.

Mr Wankmuller: I'll take about eight minutes, if that's okay.

CHAIR: Let me tell you, after visiting Millmerran yesterday you are not in the poo, so you can take the eight minutes!

Mr Wankmuller: Thank you very much. I appreciate it.

CHAIR: So don't ruin it. Go for it.

Mr Wankmuller: Got it. I want to point out a couple of things that are important to me before we start. I get it: this is about transparency and clarity, and I very much welcome that. This is a very complicated project. There is a lot to talk about. I also get that it's very important to people. They want to know: why us? Some want to know, 'Why not us?'—like the last people you talked to, I believe. We understand that there are a lot of questions out there and that there are concerns. We're happy to address them. I want to talk about why I think Inland Rail is important, why I think we are where we are in terms of the route alignment and then a couple of key success factors for going forward, and that will be it.

On the first one, why Inland Rail, we have lots of submissions with lots of people that can talk to it. I won't reiterate everything everybody says, but they talk about meeting the Australian freight challenge and stimulating the economy. You can read ARA's, ALC's, the department's and our submission. They all go into some detail on that, so I don't think I need to dwell on it, other than one point: the way to do this is to create a modal shift. That modal shift moves freight from road to rail. There are some very distinct advantages to the country from doing that, and I want to emphasise them for a second. Senator Sterle's quite familiar with them.

Safer roads are something we all appreciate, and one of the things I'm proud of here by working with this is that it will lead to five fewer fatalities a year when we get that number of trucks off the road and 50 fewer significant accidents. I think that's significant and I'm proud to be part of it. It will lead to less road congestion not just in the urban centres that people talk about but out in the regional towns. Many of you have spent time in Toowoomba or Parkes or some of the other regional areas where there are a lot of trucks coming through town. This will have a direct impact on that while lowering the cost to the government of maintaining roads, measured in billions of dollars, and fewer carbon emissions, with 750,000 tonnes less carbon emissions for this country.

Why Inland Rail? We can go into some of those other details as we get into some of the questioning. In terms of this route, one of the things I'd like to call everybody's attention to, as Mr Fullerton has said, is that this has been a long time coming about. We have a route history document that we'll be releasing to the committee today as we promised we would. I think you got a copy of it last night. It will also be available as a public document to everyone, effective today. That has been brought into play in conjunction with talking with members of the National Farmers Federation and other members of the community.

The thing that's important about that route history that I'd like to call some attention to is that it has been developed over a long time. The alignment that we are following today and the service offering that's in there were first developed in 2010 under a different government. It has been a very bipartisan development and consistent over time. It has generated an alignment that we have been asked to implement. We were given an alignment by the government and we were asked to implement it and improve upon it if we could within a relatively narrow study corridor of about two kilometres. We'll go through the details of that when we get to the TOR, terms of reference.

There are four key success factors. The first is increasing transparency and more effective engagement. We have a lot of lessons learnt. We're prepared to talk about them today. We understand we need to improve. I also understand that, while we can't change the past, we can learn from it and we can change the future, and we're trying to do that. We'll go into some of the things that we're already doing differently and what we're going to do differently. I can reassure you that our approach now is based on interaction and responsiveness. We were not responsive enough in the past. There were a lot of reasons—I won't be defensive about it—but we were not responsive enough in the past.

The second key success factor: I understand, and we all understand, that we have to have public confidence in the solutions that we deliver. I've lived on a flood plain and I've seen the devastation: it's happened to me and it's happened to my family. I've seen the psychological effects. People are scared—we get that. We have an obligation to help them understand that we're going to do something that's safe. We're going to do that, and I can go through some examples of that in a few minutes.

I have something I'd like to hand out at the end which will give you a picture to start to visualise some of the designs, which are way different. You will see that this is not our grandfathers' railroad; this is an entirely new thing, way different from anything this country has had in the past.

CHAIR: Can you table that at the end of—

Mr Wankmuller: At the end of my little opening statement, yes.

The third success factor: it's about long-term benefits, but we have to remember that long-term benefits are not the whole thing, because not everybody participates in those long-term benefits. Some of those long-term benefits are jobs. There are short-term benefits, and those are jobs too. For some of these communities which are being impacted and which don't see how they are going to contribute and have a piece of the long-term benefits, there are some very real opportunities as we build through their communities to create benefit and jobs, particularly in the times that we're going through today. We have data in our submission where you can see we're very focused on that in the work that we've done so far around Parkes and Narromine. We're creating a lot of jobs and a lot of economic stimulus in an area that needs it.

The last one, and this is probably the most important one—at least to me, in terms of the help that I need and we need to get this done—is that this is not an ARTC program. It is often called an ARTC program, but Inland Rail goes way beyond ARTC. This is an all-of-community program. There is no way we can be successful

without all the community—without the federal government, the state government, the local council and the private sector doing their parts. And they have a big part in that. We can build the spine from Melbourne to Brisbane and we can connect it to a spine that's there—the Trans-Australian Railway out to Adelaide and beyond to Perth—and that's a nice backbone for the country to have. But without others stepping up and giving me new sites where I can load and unload, it doesn't do me any good.

Right now we have no way of loading and unloading double-stack trains. We have to rely on the federal government and the state government to give us where those locations are going to be, to help get those in place and to get them in place in time so we don't build an asset that's not used. We could be done waiting for those end loaders to be finished if we're not careful. It needs to connect to the rail lines that are out there in the states. We have to work with the states on all of the state connections. Whether that's the country rail network in New South Wales, whether it's in Queensland or whether it's in Victoria, to make this thing work they have to bring their lines up to equivalent standard to Inland Rail so there is interoperability. They can load 1.8-kilometre trains and their system can just come right onto our system. Some of them are doing it, and they're doing a good job. New South Wales has committed quite a bit of money, \$400 million. They're getting there and they're prioritised, but we need others to come to the party, too, and we need some of those decisions to be made. The federal government has made a very good step forward, and I'm sure they'll talk about it when you talk with them. The business case money that they put out there is significant—\$44 million to look at this issue: how do we make those connections and where are the loading sites?

That connects us to other markets. We have to have efficient port connections. You heard from Roy Cummins and others. They're right: for the long-term future of the country we have to understand exactly how this whole network works. Roy is also right that there is a connection now and that we have some time. We have some time to get there, and we can talk about the details of that in a little while.

My last point is about stimulating the local economy. Our role, whether we are a government business enterprise or not—and I believe it's the role of government—in some ways is to give confidence to the private sector to make the investments. You want to push money off on them; you want them to come to the table and make the investment for you and for the country. They're not going to do that until we give them confidence. They're not going to take the kinds of risks that they have to take without having some confidence in what's being built. That's why we're seeing very good economic activity where they have some confidence, in the areas around Parkes, and why we're not seeing the economic activity elsewhere, where they don't have the confidence yet. That's the environment; that's one of our success factors which does require us all to work together, and I do need the help to do it.

That's all I have to say. I want to introduce a few of us here today. You all know John Fullerton; most of you have spoken with him in the past. I've had the opportunity to speak with a couple of you in the past, but not all of you. Rebecca Pickering, who introduced herself, will testify today. She is a subject matter expert, and a very darn good one, for engagement, environment and property. She is relatively new to the program. I have in the audience—because we don't expect him to testify today, but he will probably testify in the future, as I anticipate what some of your questions will be—our director of program delivery, Brad Jackson. All of these people are a relatively new leadership team. All of these people are a world-class leadership team. I've run world-class organisations around this world many times. This is one of the best teams I've ever been able to be part of. I'm very proud that they're here, and I hope we have an opportunity to talk to them here as we go forward.

Simon Eldridge is here. Simon has been very integral in putting together the route history document that you all got a copy of last night, and hopefully you will have a chance to read it soon. He has been helpful in pulling together the history for some of the submissions that we've done together, but he wouldn't necessarily testify unless you want him to. He's not a subject matter expert in these areas. Simon Ormsby, who couldn't be here today, reports directly to John. He is on holidays, otherwise he would be here. He was the person within ARTC largely responsible for the business case and some of the work that was done at that time, and he certainly will testify and help you with your deliberations.

Having said that, if you don't mind, I can give you that picture—

CHAIR: You can do that; you can table it.

Mr Wankmuller: Yes. It does have a slide; I'll direct you to where that is. There are other slides that summarise what I just said, but I would like to call your attention to the slide that talks about what we're building. And I'll be happy to answer any questions on what's in this document. If you go to a slide as you get the handout, I think it's about four pages or so in.

CHAIR: Key success factors? It's all key success factors.

Mr Wankmuller: This one that looks like that, Senator Sterle, is indicative of what might be built. You've got to remember that we're in the reference design phase now, and that's something that's also very important to understand. We are not in detailed design, and only in one small area are we in construction. We have a long way to go. We're still working with the community and working with our designers to say, 'What is this final thing really going to look like?'

Senator ROBERTS: Could you tell us broadly about the main stages?

Mr Wankmuller: In any program like this, you go through a concept phase, which is a concept that you then discuss as a decision body—whatever that decision body is—as to whether you want to try to proceed to see if you can make that concept a reality. From the concept, you go to reference and that is a reference design that says: 'Yes, we want to try to make this a reality. What might this thing look like and what approvals might we have to get, such as environmental or planning approvals?' From reference, once you look at it and you get a better understanding of costs, you say: 'Now we really understand the cost. Where do we go from here? Do we still want to go forward?' If you say yes, you go into detailed design. Detailed design looks at all the structural design and all the things that you have to do and firms up the final cost. Then you go into construction and you build it. Then you go into operations.

For 90 per cent, if not more, of the program, we're just getting to the end of that reference design. The difference between the public sector and the private sector is that you wouldn't really hear about a project until you got done with reference design in the private sector because they wouldn't be confident of whether they were really going to do this or not. In the public sector you do tend to hear about it a little bit earlier, way back in concept, because there's some excitement about getting out and telling the community what we can do. So the processes are the same; how you handle it is a little bit different in the private sector.

Senator ROBERTS: Correct me if I'm wrong: to make sure that you can get the money in the private sector to do the job, you'd make sure the reference is done properly?

Mr Wankmuller: Yes, you usually have the reference before you commit the funds.

Senator ROBERTS: Then you've got the bankable study?

Mr Wankmuller: Correct; that's exactly right.

Senator ROBERTS: Then people say, 'We will invest,' so you'll now do the detailed design—

Mr Wankmuller: Who are the investors are going to be? How much money are they going to put in? Yes.

Senator ROBERTS: Reading between the lines—and I'm definitely not accusing you of saying this—unfortunately the politics jumps on board and piggybacks on the concept.

Mr Wankmuller: I didn't say that.

Senator ROBERTS: I know you didn't; that's why I was very careful to say that. But the problem you've got is that you've got politicians jumping aboard the conceptual stage and then beating it up. Quite often that can develop momentum of its own which carries it right through reference and right through detailed design with no real scrutiny.

Mr Wankmuller: I wouldn't say 'no real scrutiny'. There may not be as much certainty in the numbers and the schedule that you would like before you went really public.

CHAIR: Mr Wankmuller, I'm going to pull it up now. It's like peeing your pants when you've got a dark suit on; I've got a really warm, fuzzy feeling. But the truth of the matter is that I appreciate your honesty. We were in Millmerran yesterday and we're going down to New South Wales. There is white-hot anger.

Mr Wankmuller: Absolutely.

CHAIR: So thank you very much. The platitudes are great stuff. You've got to turn around and you've got to deliver that message out there and get them. You know this. You're okay at the moment. Mr Fullerton, there'd be pitchforks waiting for you. But I'm not going to hang you. Let me put this to you. There is a belief: 'I don't believe the people of Millmerran.' Now, be very careful and listen to what I'm saying. They think that the good folk at the ARTC are listening but that it's not getting up the chain to the decision-makers. I said, 'Who are the decision-makers?' The minister. I'm going to cut to the chase, because I'm just about here on this one. They tell me the minister has been to Millmerran twice. If I were the minister in charge of this nation-building project and I had been to Millmerran twice and I had experienced the white-hot anger down there, you'd have been in my office within two seconds of me getting back to Canberra, with me saying, 'Rethink, reschedule, and don't come back to me with how you can't do it; come back to me with how you can do it.'

I'm giving you the opportunity now, ARTC: if you're running a protection racket for the minister or the government, tell us, or, if you haven't given the minister the feedback, tell us, because I don't want to hang innocent people. It's going to save a lot of pain and anger, okay. Over to you, and then we'll get down to the specifics. What have you got to say to that, Mr Fullerton?

Mr Fullerton: I think Richard covered it off. At the end of the day we go back to that 2010 alignment, and then ARTC was involved in 2015 with the Inland Rail Implementation Group, where we prepared the business case and we then reaffirmed both the service offering that was articulated back in 2010 and the indicative alignment. As Richard said, it was the role of ARTC then to look at how they could build this railway along that indicative alignment that meets the service offering. ARTC does recognise that the engagement with the community, particularly on greenfields sections, wasn't up to speed and needed to be corrected.

When ARTC was tasked back in 2017, the first time the government committed an additional \$8.4 billion of equity investment in the project and asked ARTC to deliver the project in partnership with the private sector, it was at that point we recognised that we needed to improve the capability, both from a project management point of view and from a customer engagement point of view. And it was at that time the board agreed that we needed to recruit the best—a CEO-standard position. It couldn't just be a divisional head or whatever; it needed to be a CEO, world-class head. It took us 12 months to recruit that person. He's sitting next to me here today. The task initially in that first 12 months was to build a capable leadership team, and Richard has taken you through the detail. That was our priority back in May 2017, recognising—and I'm the first to admit, Chairman—that back in those early days, with a lack of information, probably a lack of resources, we could have done it a lot better. And I'm the first one to admit that.

CHAIR: That's good, and I don't want to go over old ground, because you and I have had this tete-a-tete before, in Senate estimates, and you were defending your people. I had this magnificent piece of machinery in front of me, where people from affected areas were directly saying to me, 'That's bullshit'—I shouldn't say that—'That's a lie; that's not happening.' So we know that. Let's put the past behind us, because, you know what, we're Aussies—you're allowed to make a mistake. Don't do it again. Let's fix it. I'm very keen now. I've cut you off. I'll probably go for a walk and let the Queenslanders have a chat. But I want to know now, for the people who have raised their concerns that had previously fallen on deaf ears: is the route that is now in the plan not up for negotiation? Is that it? Or is there the opportunity for the ARTC to report back to the brain deads in Canberra: 'Gee whiz, we've got this wrong. We're going to have to reset and maybe change a few areas here and there.' Is that possibility facing us? Is that the reality or not? If it's not, we might as well pack up our suitcases, say it's a done deal and be gone.

Mr Fullerton: If I could respond to that—

CHAIR: I want you to respond. Mr Fullerton, I don't want to hang you. You're a public servant. You're serving a master. I get that. All I want is the truth.

Mr Fullerton: I think the route history, particularly on the 600 kilometres of greenfields, has been a very, very sensitive matter. It goes back to the 2010 indicative alignment that was based on the service offering. I want to work back to your response, because it was important back in 2010 to use as much of the brownfields alignment as possible. So 1,100 kilometres of brownfields was used to build that alignment to minimise 600 of greenfields. Through the process of identifying the service offering in 2015 it was reaffirmed of that indicative alignment, and then, at that point, ARTC was given the task of doing some refinement. I think it occurred in a number of areas. It happened around the Narromine area. You may recall at previous estimates we talked about going from the west to the east. It occurred through the Pilliga forest, and, in that regard, we moved it from farmland to go through the Pilliga forest. There were alignments on the border between New South Wales and Queensland that went straight across into Yelarbon. We then moved it more towards Goondiwindi, based on that refinement.

Of course the big issue—and that would have been the one that was addressed at Millmerran yesterday—is this. In 2016, I think, it was triggered when a draft SMEC report was released about an alternative that went through the Karara-Felton area, across the Condamine plain. That then triggered an independent review, back in late 2016, to question the indicative alignment that was built into that 2010-15 alignment, which went through Millmerran and up through Kingsthorpe. An independent review was taken with a project reference group to look at four alignments, and that came back confirming, both from a service offering point of view and a cost point of view, the Millmerran alignment—adjusted, because I think, when that review was done, the industrial precinct was being developed by Wellcamp and also by InterLinkSQ. That independent review, not involving ARTC, confirmed that the Millmerran alignment was the one that was chosen for us to then go away and, looking at a two-kilometre study area, to refine that alignment from the border through to Gowrie. That's what we are now

working on. I know Richard can talk a lot more about the detail of that, given his engagement in more recent times around the flood modelling, the reference designs and the concerns of residents in terms of the effect of floods with this railway being built. They're the things that we're now doing along that border to Gowrie alignment: to finalise that reference design, get further feedback from those communities, go through the EIS process with the Queensland government and develop a design that's going to meet the concerns of those residents that live along that alignment.

CHAIR: Mr Fullerton, put it in simple terms for the poor old dumb truckie up the front here. Is there an opportunity to reset, or is it set in concrete—the route that is now chosen? Don't worry just about Millmerran. You got further down there in New South Wales. Or is it that you've got a bucket of money and you've been told by the political maestro: 'Make it fit'? All I want is a simple answer—yes or no.

Mr Fullerton: And the answer that has been given previously by Richard and by me at Senate estimates is that, in pursuing those study areas that are defined in that indicative alignment, we find something that's a—

Mr Wankmuller: Fatal flaw.

Mr Fullerton: fatal flaw—I think those were the words we used—in the ability to construct the track through that alignment—

CHAIR: Whoa! No, no. Hang on. Let's not start throwing the—

Mr Fullerton: The question was asked of me at Senate estimates: if you get to a point on that existing border to Gowrie alignment that you find something—

CHAIR: Sorry. Hang on. I'm not a local. Whatever you're talking about—

Mr Fullerton: This is the alignment that's the current study area between—

CHAIR: Maybe tell me the names of the towns.

Mr Fullerton: The Millmerran alignment.

CHAIR: Okay, but you've also got people from Boggabilla that are really peed off—

Mr Fullerton: Yes.

CHAIR: and Narrabri and Narromine and all that. So I'm asking you for the whole route. Why won't you say: 'Gee whiz, we didn't get that right. We've got to go back'? You see, people have been saying to us—correct me if I'm wrong, Queensland senators—very clearly: 'That's the final option. That's it. And we didn't have any consultation.' Let's not go back through the old stuff. Is that the case? I really want an answer. Can I just get a simple yes or no? Is it locked in—that's it—or is there opportunity? When the light comes on and the expert hydrologist says: 'You've got this part wrong, but you could have gone over there,' and some people say, 'We're happy to have it over here,' is that still available to the good folk of Australia where they may have a railway line coming near them?

Mr Wankmuller: The answer is no.

CHAIR: No?

Mr Wankmuller: It's not locked in.

CHAIR: I thought you'd said it's not an option! I was going to say: you wouldn't get through the doors!

Mr Wankmuller: We have a number of areas where we have concerns and we're looking at whether we have made the right decision or a different decision should be made. The one that I'm the most concerned about is the Macintyre flood plain.

CHAIR: They came to us yesterday, the people from the Macintyre. That was option D1 or something. Is that right?

Mr Wankmuller: Correct. You're absolutely right.

Senator ROBERTS: Yes. Option D1, and they prefer option A.

Mr Wankmuller: Yes: option D1 versus option A. I'm the most concerned about the Macintyre because of the velocity of the flows in that area. Our responsibility, again, is public safety. Public safety comes with a cost. Cost is secondary. First is public safety.

CHAIR: That's music to the senators' ears. You've had experience of this, Mr Wankmuller, and that's good to hear.

Mr Wankmuller: When we say 'a fatal flaw', a fatal flaw is something that could create public safety issues.

CHAIR: Like a once-in-100-years flood—

Mr Wankmuller: Yes, or beyond.

CHAIR: or 50—

Mr Wankmuller: Yes. What we're looking at there is: we've rerun all the modelling. We have a town there, Goondiwindi, that's very concerned about whether development—not our development—that has occurred over the years has endangered their town and we're going to make it worse. So we have—off our own back, on our own nickel and our own time—extended our model all the way to Goondiwindi, which we don't have to do for the EIS requirements. We've looked at the impacts of flooding from the recent development that was undocumented—some of which should have been documented, some of which was undocumented and missed—and we've run an analysis. We're going to share that with them next week.

If we find that there is a public safety issue with the option that we're on, we'll move to the other option. I will say: I'm personally concerned about whether the other option creates a public safety issue too, so we're going to look at both of them.

CHAIR: Thank you. Now I'm going to go to my colleagues and I'll shut up.

Senator ROBERTS: I know you want to keep going, but—

CHAIR: Let's get to questions. It's pretty informative. And I'm sorry, Senators, but I'll just say this: you realise there is a major white-hot issue. You've answered my question: it's not locked away, and let's put safety first before we start getting to all the other issues. Senator Hanson, do you want to kick off?

Senator HANSON: There are quite a few questions I want to ask. Just on this line of questioning, you've said that you haven't really locked it in. Under the key facts that you've put in your own documentation here, you've said that, as at the end of March 2019, Inland Rail has had around 870 land access agreements in place along the entire route, facilitating technical and ecological investigations.

Mr Wankmuller: Correct.

Senator HANSON: If you've made these agreements and now you find out that you are not going to proceed with them and you may change your mind, what's going to happen?

Mr Wankmuller: We'll have to talk to them. In many cases it may be the same landowner impacted, but if there's a new landowner impacted we'll have to open discussions with them. We've informed them that there's the potential for that if they're in the study area broadly.

Senator HANSON: You opened your statement stating that you actually did, and you admitted, no consultation. In fact, you were at the Lockyer Valley meeting with the community on 17 June 2019. As to that, I'll read this: 'The CEO—that's you—'was so concerned with the ARTC in-house-led consultation, he personally attended and apologised for the inadequacy of consultation and community engagement efforts to date. The CEO was disappointed that the community had deep concerns regarding the in-house-led ARTC community consultation and engagement activities, but the project was going ahead regardless of concerns. The LVCC representatives left the meeting confused and expressed a view within the receiving community that the IRP would happen regardless of our concerns.' It was just in June that this happened. And you sit here before us and tell us: 'Things have changed. We are listening.'

A number of people that we listened to yesterday—the Mayor of Goondiwindi, the Millmerran Rail Group, the Forest Hill Community Association, and numerous individuals—told us constantly that they are not being listened to and not regarded. Your opening statement here was that, as far as you were concerned: 'This is about a project. We have to get investors in this. This is about moving ahead.' Do you realise, do you really understand, the number of people you are impacting on? These communities of locals know the issues to do with floods and the impact of noise and what this is going to do to their communities. They are not against Inland Rail, but it's like this door has been shut on them and they've got no say whatsoever. And you're not taking that back to those who you are supposed to answer to.

The chair mentioned that the minister went to Millmerran. But I went to Millmerran and I spent the day there talking to people, prior to yesterday. I asked if they had seen the minister: 'Well, no, he showed his face here for only five minutes. We didn't get to talk to him.' So I went back and spoke to minister. I asked: 'Have you been to Millmerran? Have you listened to the concerns of the people?' He said, 'I've been there.' I asked, 'No, have you really listened to the concerns of the people?' This was Minister Darren Chester, when he had the portfolio: 'Well, no I haven't.' I said, 'Well, come back with me and talk to the people.' You give me, and the people out there, confidence and tell me what input the minister really has. Do you purely go to him and lay down the facts of what you want to present to him, or does he really listen to what the people are saying? Who is in control?

Mr Wankmuller: I obviously cannot answer for the minister. I can tell you what we do. We have a governance procedure where we put together reports on everything we are doing through the departments, because we are not the department; we're a GBE. Through the minister's department we have monthly and quarterly reporting that goes through the details of where we are at on each and every issue. Whether it is community consultation or project development, we flag that and we then have a governance procedure where we sit with a project monitoring group with the department on a monthly basis. We have a sponsors group, which is with the secretaries, on roughly a quarterly basis, where we go through the issues. They then decide what to brief the minister with. I don't brief the minister. I get called every once in a while to brief the minister, but I have no direct relationship. Nor does my governance have me briefing the minister.

Mr Fullerton: If I could add to that, there is a governance structure that has been put into place. I think that has been explained in our submission, in the submission from Finance, and also Infrastructure—that there is a governance arrangement that has a suite of documents that we are obligated to comply with, in terms of delivering Inland Rail. One of those is the statement of expectations, which is a public document. The other important one that goes to your point, Senator Hanson, is that we have a project development agreement that clearly specifies what it is we have to build for government. It goes to the scope of the works, the service offering, the indicative alignment—that is recognising that we still have to refine that. That is what Richard is very much focused on at the moment. We have a governance framework that Richard talked about. It is how the board interacts with the departments and interacts with government in terms of ARTC meeting our governance obligations that are embedded into those agreements. They are signed agreements. We report against that on a monthly basis, and as required, through the Inland Rail sponsors group that is chaired by the secretary of Infrastructure and is also attended by the secretary of Finance.

Senator WATT: Can I clarify the point that came out of Senator Hanson's question? Mr Wankmuller, you were saying that you don't have a direct reporting relationship with the minister, and you, Mr Fullerton, have just told us of the governance relationship. Does that mean that there is no-one within the Inland Rail corporation who directly briefs the minister; it is all done through the department?

Mr Fullerton: We are a GBE. I report to a board. The obligations we have to our shareholder, the Australian government, are through those documents I have just described. Most of our reporting goes to the departments, which in turn brief the minister. There are occasions, of course, on which we will provide briefings—either myself as required, and also with Richard—to provide that sort of transparency.

Senator WATT: But it is generally done by ARTC, through the department, to the minister, unless they are unusual cases where—

Mr Fullerton: That's right. And on the Inland Rail sponsors group, as I said, the two secretaries are members of that. The third member is the chairman of the board, which is Warren Truss—and I am his alternate. That sponsors group meets probably every two months.

Senator ROBERTS: Mr Wankmuller, I appreciate very much your acknowledgement, sometimes directly and sometimes subtly, that there have been errors made in the past. That leads me to a really big concern. I have been in projects, just as you have, and if the concept is wrong the whole damn thing is wrong. There have been a number of issues with the brownfields concept, which were raised in 2016—I did it in the Senate myself. They gave me cause for alarm, and I felt completely ignored. There was just one item—this is not your responsibility—and that was: push the ARTC's case and ignore any other option. That came across clearly. Other people commented on it. I was trying to make sure that there were other options considered. None were. I see some flaws in there that have become fatal flaws, potentially, for the whole inland project. What I would like to do is come back to you after you've finished your address—I'm enjoying your address—to understand some of the conceptual flaws and I would like to understand the business case, because I'm deeply concerned, as a guardian of the taxpayers' funds, not only about the risks of this project but the economic viability of the project and the whole viability of the project. It's on shaky ground as far as I'm concerned.

Mr Wankmuller: We would be more than happy to help facilitate any questions you have on that. It wouldn't be just me. One of the people that isn't here today—sorry—Simon Ormsby, who I mentioned, is key to that, on the business case. But we'd be happy to do that.

CHAIR: Senator Hanson, you had the call, but I'll bear in mind that we always have the ability in Canberra to catch up and follow up on anything.

Senator HANSON: I think it's good if we ask a question if someone else wants to follow on. I've got no problems if anyone else wants to interject or follow on with this. Mr Fullerton, a lot of the problems that came up

from the public were about noise. They're very concerned about the noise. What is your response to that? How are you going to deal with it?

Mr Fullerton: That's an issue we deal with across our network generally, particularly with construction projects. A couple come to mind, including the billion-dollar Southern Sydney Freight Line that was built back in 2012. We have obligations, through the planning process, to build, in many cases, noise walls. In that project, in particular, there were six kilometres of noise walls that were built because of the proximity of local residents. There's also an obligation with regard to assembling. We've had to build noise walls in the Hunter Valley where there is close proximity to residents, and we do that. Also, often we're required to do noise monitoring and regularly report where we don't have those noise walls. It's a combination. They become conditions of approval when we do submit through the EIS process. They become conditions of approval, and constructing noise walls is an important part of that, where it's deemed—

Senator HANSON: What about council? Do council have any say in where the noise walls go up?

Mr Fullerton: There is a public consultation process with the EIS process that allows input from councils and private residents. All that is taken on board when the approval conditions are provided to us, but we do regularly build noise walls and do noise monitoring and do what we can to minimise the impact on adjacent properties.

Senator HANSON: Apparently you've changed your opinion since Senator Williams asked you that question at a Senate estimates hearing on Monday 26 February 2018. Your answer was:

I can't give you an answer on that today. It's a problem that we are aware of: the impact of noise across our corridors. We do what we can.

So there was really no answer from you, because I don't think you really know how you're going to deal with it, especially with Ivory's Rock. We heard from Ivory's Rock. Do you know Ivory's Rock, at Peak Crossing? They've got a resort out there. It's actually quite a big one. It's growing quite extensively. It's also animals that are in the area. They're saying that you're going to have this line that's going to go through there and that it is going to be up over a certain height. Is that correct, what they say? I've got pictures here where they show it, if you want to have a look at them. They say it's actually going to be up high so therefore there is going to be more noise involved in this. We're talking about a resort, a convention centre and quite a big camping area that's out there. I understand that you're going to have the height because of flooding. How are you going to counteract the problem of noise in that area?

Mr Fullerton: Before I ask probably Richard to address that second question, I would like to go back to the first point you made about my evidence at estimates with Senator Williams. What I was referring to—and the Inland Rail project falls into that category, wherever we're doing upgrade expansion works that require an EIS process, that's when the noise matter will be dealt with in terms of the approvals. In relation to what Senator Williams raised at the time, ARTC operates 8½ thousand kilometres of network that have been there for 100 years, and we don't just build noise walls across that network. But we do recognise where there are problem spots. I think the one that Senator Williams was referring to was up in the Singleton area, where we had on one occasion built a noise wall, but there were some other residents who were concerned about the impact of trains. We then agreed to go away and do some further testing—we have been doing that—and some further noise mitigation work in that area. I think you need to make two distinctions between the existing operating network—and we will look at noise where there's a concern that's been raised and then how we deal with that. We don't have funding to build noise walls along 8½ thousand kilometres but we do have an obligation to do noise mitigation that's the result of new construction where it's a condition of the planning approvals. Inland Rail falls into that category, which I think is what was meant by your question originally—that is, where you're building new infrastructure, that can become a condition of the approval.

CHAIR: Sorry, can I just jump in there, Senator Hanson. The witnesses from Ivory's Rock said very clearly they don't meet that threshold where they can get compensation, so 'tough, case closed'. Maybe Ms Pickering can help. I think that's where you were going, Senator Hanson.

Senator HANSON: Yes, they said they can't get compensation for it.

Mr Fullerton: I just wanted to get that clarification between existing network and upgrades.

CHAIR: Right. What we are saying here is that they have a thriving business that they've built up. Crickets chirp and kangaroos eat leaves and people go there for the relaxation. They have an amphitheatre that I think seats 5,000 people. They camp in tents. Is there an opportunity for you to review Ivory's Rock? Is this where you were going, Senator Hanson?

Senator HANSON: Yes.

CHAIR: Everyone may have an issue of 'I can hear the train' and all that sort of stuff, and I understand that. Are we able to open that up for them?

Ms Pickering: I have a comment that's more on the process. At the current stage we're going through the EIS process, so we've got the reference design and we're doing some preliminary work to understand the likely noise impacts on those approximate to the line. As you heard from Ivory's Rock yesterday, they are one of those organisations relatively close to the line. As we continue to evolve the design and get into the detailed design phase, we will start to get a clearer view of exact noise levels because it's a function of not only proximity but the design of the track and many other factors. Once we have refined, we'll do the noise assessments and determine where we need to put mitigations in—as John described, noise walls—and other factors. Then we can collaborate as appropriate with the community about the types of mitigations that may be appropriate. But at the moment we acknowledge that there is some frustration. We're not quite at the stage where we have enough data to make definitive answers to some of the questions.

CHAIR: Sorry, Ms Pickering, but in their submission and their appearance before us yesterday they said they've been told clearly by the ARTC: 'You don't come up to that level. Bye.' I know you may have 17,000 people along the track who say, 'I can hear it too and I want a pay out.' I understand how that all works. I'm not being flippant. But that is a business that has now lost what it's there for. That's what we have been told.

Senator McDONALD: I think, Senator Sterle, there were two parts to Ivory's Rock. One was the acoustic walls, and there has been agreement from ARTC, or Inland Rail, to provide \$5 million for the walls.

CHAIR: No.

Senator McDONALD: But it's the \$50 million compensation that wasn't—

CHAIR: No. There were two. Sorry, I interrupted you, Senator Hanson.

Senator HANSON: Well, the lady is here from Ivory's Rock. Are you from Ivory's Rock?

Ms McGregor: Yes.

Senator HANSON: Then let's hear what you've got to say with regard to what they're telling us here.

CHAIR: Well, this is different!

Senator HANSON: Sorry, you're the chair.

CHAIR: No, we've raised Ivory's Rock. What I will do is consult with the committee. Contrary to popular belief I don't run this show! Senator McDonald, Senator Rennick? Yes. Hello. Come and join the table. You're not going to get eaten. Do you have any comments to make on the capacity in which you appear?

Ms McGregor: I'm the project manager for Inland Rail for Ivory's Rock—

CHAIR: Oh, yes. It's 1997! Is that how long you've been doing this?

Ms McGregor: and I'm on the CC committee for Calvert to Kagaru.

CHAIR: Jan, meet Rebecca. Rebecca, this is Jan.

Ms McGregor: Hello, Rebecca. I've worked with the ARTC with the Calvert to Kagaru section for the last two years. Ivory's Rock is a \$26 million development. It takes 5,000 people for outdoor events. It is 500 metres from the alignment at the closest point. ARTC staff have been extremely helpful in providing us with detailed noise data. They've done noise measurements. I did provide the senators yesterday with a copy of the letter from ARTC which confirmed that data. It shows that the noise levels are up to 75 dBA max at the carpark reception area; 71 in some of the major campgrounds; a bit less at 67 in other campgrounds; and 64 in major outdoor facilities. Because it's an outdoor facility the noise impacts are much greater. You can't mitigate the tent. So what we have pushed for all the way—obviously we would prefer that the line wasn't there—but at the end of the day if it must be there we have asked at the minimum to look at noise mitigation. It is elevated, so it is difficult. We have asked for noise walls at a minimum. There may be other things that could be done. We have been told to date that because we are below threshold set by the ARTC we are not eligible for any noise walls. We have that in writing from Amanda Quayle from ARTC. We are now waiting for the EIS so that we can lodge our own documents. But we have had no visits from senior ARTC staff to understand this kind of facility.

CHAIR: You will now, Jan. We'll be lining up to get your phone number. Would you like to speak, Mr Wankmuller or Ms Pickering?

Mr Wankmuller: I completely understand what Jan is saying. I'm happy to meet and understand the situation better. But to clarify: what she is saying is that in the noise that Senator Hanson was asking about, we have state regulation criteria that we have to meet. There is a certain level it will require, to make sure that it gets down to that level. What Jan is referring to is that we have determined that we are down to that level, the state

requirement, and therefore we aren't obligated under state regulations to provide additional mitigation. Whether we do or not is something that we can talk about, but under the state regulations we have met the state requirements.

CHAIR: Are you happy, Jan? Well, you're happier than you were when you walked in, at this stage. At least you're going to get a visit.

Ms McGregor: Thank you.

CHAIR: We will resume at 10.55 with the ARTC.

Proceedings suspended from 10:38 to 10:57

CHAIR: Welcome back, everyone. Senator Hanson, you had the call. We'll have ARTC for an hour and a half.

Senator HANSON: Gentlemen, it's been brought to my attention that you said there'd be approximately 1,700 people impacted by the rail line. What consideration have you given to the Acacia Ridge area, where there are 50,000-plus people in the high-density area of the K2ARB—Kagaru to Acacia Ridge—section?

Mr Wankmuller: Sorry, I couldn't hear a word.

Senator HANSON: You've said that only 1,700 people are going to be impacted by it. In the Acacia Ridge area, you've got 50,000 people—high density. You came out and said Acacia Ridge was where the line was going before you'd even had public consultation; is that correct? It was on your radar. You already had it picked out. You were going to do it without public consultation.

Mr Wankmuller: That was an alignment given to us by the state of Queensland.

Mr Fullerton: That is the existing interstate track today.

Senator HANSON: Correct, but we're talking about freight trains. Are we talking about double-headers or triple-headers—what size?

Mr Fullerton: They can currently run at 1,500 metres with a double- or triple-header, depending on the operational characteristics of the operator.

Senator HANSON: Through a high-density area in Brisbane?

Mr Fullerton: They run today, yes.

Senator HANSON: How many trains per day will be running on that line?

Mr Fullerton: I think, if you go to the business case, 57 per day is the maximum.

Mr Wankmuller: Forty-three.

Mr Fullerton: Sorry, 43 per day.

Senator HANSON: I've heard 45, but 43 is close enough. You've got a loop, going through there, haven't you or two loops?

Mr Fullerton: Two, I think.

Senator HANSON: So the loops are going to have trains stationed there for up to an hour, idling away; is that correct?

Mr Fullerton: I wouldn't imagine they would be sitting there for an hour; I would need to go away and check that. There are crossing loops there today—cross-trains that are going north and south.

Senator HANSON: We've got about eight trains a day—

Mr Fullerton: It is correct that it will increase through those numbers.

Senator HANSON: From eight trains a day to 45 trains a day. You've got a loop there. You've got big, huge trains that are quite lengthy. How long are the trains going to be?

Mr Fullerton: They will be 1,800 metres.

Senator HANSON: And that's going through a high-density area. What are you going to do about the noise in that area?

Mr Fullerton: In terms of the planning approvals, I might ask Richard to address that. That's no different to the rest of the corridor, where we put it forward as part of the EIS process.

Mr Wankmuller: For noise in that corridor, which we see that we have to pay a lot of attention to, we're now out there doing a baseline study to understand what the noise backgrounds are. We have regulations by the state where we cannot increase it above a certain level. If our actions will increase it above a certain level, we have to put mitigations in; we have to build sound walls. There are different types of sound walls, depending on the magnitude of the problem we have to deal with.

Senator HANSON: What community groups in that area have you been consulting with, and have you been answering their questions?

Mr Wankmuller: Quite a number.

Ms Pickering: We've been using various forms to contact local residents. There are a number of groups.

Senator HANSON: Have you had meetings with locals? Have you called a meeting in that area to speak to locals and answer their questions?

Ms Pickering: Yes. We've had community information sessions. We hold those at libraries and shopping centres so that we're accessible. We also have a community consultative committee that has nominated representatives from the community; it's generally a cross-section of interested community members and business groups. That's a forum through which we can share information about the project, and members of the community can bring questions, concerns and issues for discussion.

Senator HANSON: Thank you.

Senator ROBERTS: Just on that, Ms Pickering, we were told by a number of people yesterday that they didn't know of the community consultative committee meetings in their town or area until after the event. How do you make sure that everyone hears about them?

Ms Pickering: The community consultative committee meetings are advertised in the local newspapers, and we put the information on the website and we can email it out through distribution. We do make efforts to try and make sure that people are aware that they are happening so that they can either contact their representative to forward their questions or attend. In Queensland we have observers at those meetings who can attend as well.

Senator ROBERTS: There are some people shaking their heads in the background because a number of people told us yesterday in public that they didn't learn about the meetings until afterwards and they don't consider it adequate.

Ms Pickering: I will have to take that feedback. We will double-check. The meetings, we endeavour to put them online.

CHAIR: I will just come in here and assist. We understand there were a range of words used like 'disgraceful'. But I think Mr Wankmuller has, hand on heart, stood up and made it very clear that they could have done it a lot better. I don't have shares in the ARTC; I am not going to be the next chairman and knock off Warren Truss because I don't think the Nats will have me in there as the CEO!

Mr Wankmuller: We are willing to talk and give you some examples about how we have improved and how we are going to see some benefit at some point too.

Senator McDONALD: Thank you very much for your presentation and for making yourselves available for so long. I want to acknowledge the ARTC. You would have heard the feedback yesterday, which was pretty frank, but the changes that have been made with the appointment of this team for Inland Rail have been well received. I think you have certainly picked an A team, which is excellent. I want to specifically ask about the flood panel, the international expert panel, that has been appointed jointly with the Queensland government and the federal government. ARTC will be establishing this panel. Is that correct? Have I got this right?

Mr Wankmuller: I don't want to put words into your mouth but I think you are asking about an expert panel. The state of Queensland and the federal government have agreed to have an expert panel on the Queensland flood routes to look at the structural designs when we get to that point.

Senator McDONALD: Terrific. Can you give me some more information on the process and the time frame for that?

Mr Wankmuller: We are presently working and helping facilitate what the terms of reference of that will be with the Queensland government and the Commonwealth. We have a high-level meeting that I have been part of and Mr Fullerton has been part of. Over the course of the next few months, we will get to the terms of reference of how that will operate but it is going to operate similarly to expert panels that I have been involved in around the world in many large programs. What they are normally tasked with is looking at the detailed design and making sure that they have brought global expertise to every possible angle to make sure that it is safe. It goes back to my comments earlier on public safety and it also goes back to Senator Roberts and my discussions about the phase of the project that we are in. Typically you do that at the detailed design, because that is what is actually going to be built. The reference design is just an indicator of what might be built. You then go to market to see what they will build.

Senator McDONALD: I guess my concern is that this route has been established as the preferred route based on a balanced assessment of a number of projects—

Mr Wankmuller: Almost a balanced scorecard approach.

Senator McDONALD: one of which is cost, but, if you don't have this modelling finalised, then how do you know what the cost will be, because you don't know what the construction will have to be?

Mr Wankmuller: That is a good question, because you evaluate all of them on a like-for-like basis. You have equal information for each of the options you look at, so you can develop a cost based on what you think you are going to build—the quantities, the types of structures—and you have a relative cost basis on that basis.

Senator McDONALD: From my observation yesterday, that is the biggest challenge for the project. The community have such a great deal of local information on flooding that they got the flood around Goondiwindi within four centimetres based on their own local knowledge. Yet they feel that there's not an adequate understanding by Inland Rail of what the flood modelling really is, and subsequently the engineering, and so how can you make the decision that this is the route?

Mr Wankmuller: And that's exactly what the process is all about. We do flood modelling. What you do is develop what's called a baseline model, which is an estimate of what it might look like in that area, and then you go and calibrate it—we call it calibration locally. You talk to local residents. You get local flood markers. You get photographs. You start to take that information and adjust your model so that the model predicts exactly what happened in the past. Once you have that model, you say: 'Okay. The model is accurately predicting what we've seen before.' You then can use that model to design what structures are going to go there and make sure that those structures don't impact the floodwaters that will eventually occur.

Senator McDONALD: Let's talk specifically about the baseline modelling. When we were out at the Harrises' yesterday looking at their actual flood level—

Mr Wankmuller: This is their home—on the steps?

Senator McDONALD: Yes, exactly and then the model has been adjusted and the flood level keeps falling, despite the reality of where it came from. What resources has ARTC invested to date, Mr Fullerton, in developing the flood modelling around crossing the Condamine flood plain?

Mr Fullerton: Those resources are invested in the Inland Rail team, so I might ask Richard to respond to that.

Mr Wankmuller: We have a process whereby we try to hire the best modellers in the world, actually. The modellers that we're using on that section of the rail line are a combination of AECOM and Aurecon. AECOM are one of the best—in my opinion, having been CEO of those kinds of companies in the past—and well resourced. I think they have over 100,000 employees around the world and hundreds of offices in 100 countries or so. They bring their modelling expertise to do a model. They have somebody assigned to our project to develop the model. They then put it through their internal processes: the best modellers in their combined companies look at it and check it out. We then take that model. We look at it—we being ARTC. We have a technical advisory group within our group called the SAJV, which is another independent engineering company, SMEC—which you may have heard of—and Arup. They then look at that model, and, once everybody's comfortable with it, that's when we finalise the model.

In the case that you're asking about, we've done two additional steps and we've had the CCC request to have an independent expert look at it, Dr John Macintosh, which we agreed to. He's looked at the model. We had one of the landowners, the Halls at Millmerran, want to have their own modeller look at it also—Dr Sharmil Marker—and he's looked at it. We've taken on board any comments we get in that process to try and update the model accordingly.

Senator McDONALD: So you have taken on Dr Marker's review and input and fed that back into the process.

Mr Wankmuller: We have, although we have a meeting with him on Friday to address some additional what he called high-level concerns. We need to understand exactly what they are and make the appropriate adjustments.

Senator McDONALD: How much was invested in Dr Macintosh's review? Do you recall what it cost?

Mr Wankmuller: I can get you that number.

Senator McDONALD: All right. Could you come back on notice and provide that. How familiar are you with the scope of his review?

Mr Wankmuller: Reasonably familiar. We tried to have open access and let him get any information that he wanted to, so we gave him an initial suite of data and modelling work. He came back for additional data, and we gave it to him. So whatever he asked for we supplied to him.

Senator McDONALD: It has been described to me that the scope of that review was quite narrow, such that he was commenting on the results of the report as opposed to the base modelling and the other assumptions that we used in development of that report. Would you comment on that.

Mr Wankmuller: I'd have to talk to him directly on that. We weren't trying to limit him on that. He asked for modelling information. We gave it to him. I've seen some of the requests that he's asked for. That's indicative to me that he was looking at the actual model, not just the report.

Senator McDONALD: Perhaps when you look at the contract for his report and the review. The reason why I'm interested is that you're going to have another independent panel, and I think you mentioned having a scope for that panel. I think it's really important that that scope not limit the panel in what it's looking at.

Mr Wankmuller: There is a whole bunch of steps in this. The next review of the model—after we take on board Dr Markar's comments and we submit an EIS—is done by the state. And the state will hire an independent expert to look at the model again before they approve the EIS. We'll—

Senator McDONALD: It's great to be a consultant, isn't it? There's lots of money to be a consultant.

Mr Wankmuller: Yes. It can be a busy environment.

Senator McDONALD: Could Dr Markar be a member of this expert panel? It would be the desire of the Millmerran community.

Mr Wankmuller: The expert panel I referred to was more in the detail of the design, to make sure it's safe from a structural standpoint. That's not his expertise.

Senator McDONALD: His expertise is advising on the—specifically, he's done the Brisbane floods—

Mr Wankmuller: It's hydraulics.

Senator McDONALD: Hydrology—yes. That's important information for a flood plain?

Mr Wankmuller: Absolutely. But what's really important is how you're going to build structures in that flood plain in the black soils—

Senator McDONALD: Based on hydrological modelling?

Mr Wankmuller: Accurate modelling—that's right. But there are two parts to it, and they're different DNA-type people. The modelling is one DNA type of person. They have a real expertise with that sophisticated modelling, but they are not designers. I wouldn't want them designing the structures. That's a different DNA and a different person.

Senator McDONALD: So the independent panel is going to:

... advise on the modelling of potential flood impacts and continuing community consultation along the project's chosen route through Queensland.

In addition to the expert hydrologists already engaged by the Australian Rail Track Corporation, an expert panel of international specialists will be established to advise on best practice flood structural integrity and report back to the Queensland and Australian Governments.

I would have thought that would have covered off on his expertise.

Mr Wankmuller: Covered who?

Senator McDONALD: Dr Markar's.

Mr Wankmuller: No. Until we get the terms of reference from the Queensland government and the federal government—right now that would not be his—it says it's structural; that is not Dr Markar's expertise, as I understand it. I'm happy to ask him. I've met with him twice. I'm happy to make sure I'm correct, but I'm pretty darn sure I'm correct.

Senator McDONALD: Would you take that on notice, because it would be really helpful to the community to feel that they had somebody who they trusted and who's provided great expertise, and if there was a way to include that in the scope of that panel I would think that would be important. Will the ARTC await the results of the international expert panel before lodging the EIS to the Queensland government?

Mr Wankmuller: Sorry, I was distracted.

Senator McDONALD: Will the ARTC await the results of the international expert panel before lodging the EIS?

Mr Wankmuller: That is not the regulation that we're required to follow in preparing an EIS and submitting it. We have to follow the state regulation to do that.

Senator McDONALD: You wouldn't have to wait for the panel's advice to lodge the EIS? What's the order?

Mr Wankmuller: You mean the panel's advice? We wouldn't have to do that. When we lodge the EIS, that begins a process of open consultation. Not only does the state look at it, but they put it back out to the public for comment. We would take on board those comments. We would give all those comments to the expert panel when they convene, so that they would be aware of what the concerns are and would be able to address them. But, again, that speaks to the terms of reference between Queensland and the Commonwealth, and they'll finalise all of that over the next few months.

Senator McDONALD: Will there be any other stakeholders consulted on the terms of reference—any other community groups or concerned citizens?

Mr Wankmuller: That's a good question. I'd have to ask the state.

Senator McDONALD: Terrific. If you could come back on that. I've just got a couple of questions on the Port of Brisbane connection. In the Port of Brisbane's presentation this morning, they said that it was ARTC's view that there was time—actually, I think you said that this morning—for the port connection to be developed. Given that only two per cent of the container movements are on train currently and there are already four million truck movements a year, it just doesn't make sense to me. Why would ARTC not think there was a sense of urgency to manage the huge number of trucks that are on the road in Brisbane currently?

Mr Wankmuller: I missed the first part of the question; I'm sorry. I heard the number of trucks. What was the first part?

Senator McDONALD: The first part was: why doesn't ARTC think that this is an urgent problem? Why do you think that there's time to wait to get trucks off the road?

Mr Wankmuller: When I said there was time to wait, what I was saying was the demand estimates. You can get to the port now in single-stack mode. The difference between single stack and double stack is actually the volume that's required to go to the port. The volume that we see in the demand estimates—this is probably a better question for John, actually—says that we can handle it in single-stack mode until well off in 2040 or so. So, when we say we have time to make the decisions relating to double stack, that's why we say we have a bit of time—because we have 20 years to do the development planning and get that capability in place.

Senator McDONALD: But there are four million truck movements currently, and they say that within the next 10 years that will double, to eight million truck movements. There isn't a capacity to move to double stack on that line as it stands now, so I think there is urgency. I'd like to understand why not.

Mr Fullerton: We've dealt with the port of Brisbane. I know there's a study underway between the Commonwealth and Queensland. They're doing further studies on the port of Brisbane. We participate as required, but that's actually led by those two agencies.

I would make a couple of comments, if I could, in response. First of all, the Inland Rail brief is to build inland rail to Acacia Ridge. We do recognise that today there is an existing dual-gauge line to the port. The standard-gauge connection was built back in 1995, along with a dual-gauge terminal. The work that we did as part of our business case was to say, 'Yes, there is capacity there today to move containers to the port.' Primarily it's narrow gauge. If you think about port connections in most of the states, you tend to move agricultural products within a 200- to 300-kilometre footprint. If you're producing in the Darling Downs, your closest port is the port of Brisbane, and you would then move product to the port of Brisbane because it's the closest. But Darling Downs is connected today only by a narrow-gauge connection. It's not an efficient connection. The axle loads are only 15 tonnes. You can get through to the port today but it's not efficient, and that's probably why there are trucks on the road. So we fully agree.

I think there are two phases in terms of the port of Brisbane connection. We fully agree with what Roy Cummins would have reported to you this morning, which is that at some time in the future there will need to be a dedicated freight line to the port—exactly what we've got in Sydney today, in Melbourne today and in Adelaide today, a dedicated port connection. The one at the moment is tied up in passenger services. Passenger services in Brisbane are growing in frequency. They're consuming freight capacity.

But I do think there is an opportunity when inland rail to Acacia Ridge is completed. At that point you'll be able to run standard-gauge trains, heavy axle load, from Darling Downs through to the port. It would be a far more efficient operation, albeit it's going to be capacity constrained because of the increasing volume of passenger trains. There will be capacity to improve efficiency initially, but we fully support that planning should proceed and, at some point in the future, a dedicated freight line should be built to the port of Brisbane. As you would be aware, ARTC is investing \$400 million in Sydney today in duplicating the Port Botany line and building an additional Cabramatta loop. So we fully recognise the need to have dedicated freight capacity to the port. I do think there will be some benefits that will come with inland rail being built to Acacia Ridge, but over the longer term there needs to be a dedicated freight line. We fully agree with that position.

Senator McDONALD: Every time we talk about the route and the options, the response that I'm given is the 24-hour time period from Melbourne to Brisbane—some magical point in Brisbane, whatever that might be. There is currently no route established from Toowoomba to Acacia Ridge, much less to the port. I'm just not sure what the urgency is on having all these time savings on the route to Toowoomba, given the cost and the routes from that point on are not established.

Mr Fullerton: That's a good question. I think it's best to look at it from the point of view of what the market is that requires that service offering. The market that requires that period of less than 24 hours is what we call the domestic market. It's the market that will make up 66 per cent of the tonnes that will be carried on inland rail from Melbourne through to Acacia Ridge. It's the domestic freight. It is freight that doesn't go near the port. It is freight that's generated in Australia—for example, in Melbourne. It will be sent to the big population centres, like Brisbane, where it will be unloaded on trains at Acacia Ridge and sent to warehouses, supermarkets and other facilities. The 24 hours is the criterion that was made very clear to us by the freight companies as far back as 2010, when that initial alignment study was done. In that document, they talk about a transit—in that case door by door, for which I think they quoted a figure of 25.5 hours. But, if you take terminal to terminal, it's really less than 24. That was ratified again in 2015, when we set up a reference group of all the major customers that would use Inland Rail, and they reaffirmed the criticality of 1.8-kilometre trains, double stacked, travelling from Melbourne to Brisbane in less than 24 hours.

Senator McDONALD: Melbourne to Brisbane being the port of Melbourne to the port of Brisbane?

Mr Fullerton: No, and I think this is where some of the confusion occurs. We're not talking about the domestic market. Sixty-six per cent of freight that goes from Melbourne to Brisbane is generated domestically, doesn't go near a port and is consumed domestically. There's nine per cent of the freight that's built into that business case which we call agricultural products. They tend to get loaded in the regions, often within 200 to 300 kilometres of the port, and will go to the closest port. There is no container today that leaves Melbourne on a train and goes to the port of Brisbane, because why would you when you've got the port of Melbourne on your doorstep?

Senator McDONALD: No, this is the whole point for Queensland: Queensland is not landlocked the way Melbourne is. Brisbane has lots of opportunity, yet we're not going to use Brisbane for all the imports. We're going to continue running around to Newcastle, Sydney and Melbourne, and you're going to choke Brisbane by not allowing imports to come through there, because you're only talking about exports and domestic consumption, which will come from these southern ports, which will get all the work and all the business, and you'll leave Brisbane as the poor cousin.

Mr Fullerton: Maybe I'm not making myself clear. Maybe we just approach it from another point of view. The reason that the port of Brisbane doesn't receive the freight that goes to the port of Newcastle or to Port Botany today is that there is a very inefficient rail line from the Darling Downs to the port of Brisbane today, because it's limited to 15-tonne axle loads and narrow gauge. The train length is only about 600 metres, so it's not efficient. When Inland Rail is completed, you can load whatever length of train you want in the Darling Downs with export products that will be loaded onto efficient trains. It can be loaded up to 25 tonnes per axle and sent to the port of Brisbane.

Senator McDONALD: Are we bringing more in?

Mr Fullerton: It goes both ways. What comes into Brisbane will then be distributed in, probably, two markets. What comes into Brisbane will be consumed by Brisbane people and people who live on the Gold Coast. There will also be empty containers that will be coming in and going into the regional markets to be refilled with grain and meat products for export. So empty boxes go from the port of Brisbane to the regions to be reloaded with exports. Imports come into the port of Brisbane. They could be from China. The containers could be filled with TV screens or hardware, to be consumed in Brisbane.

Senator McDONALD: Yes, I get that. Until 2040, with eight million truck movements a year, which is going to be very unpleasant in Brisbane, there is no plan—no plan from the Queensland government and no plan from ARTC—to budget and build the connection from Acacia Ridge, which means that any container ship is going to have to unload onto a truck for distribution back to an intermodal hub to unpack its TV screens and whatever else it's doing. Is that right?

Mr Fullerton: Yes, that is correct, but the point is that, at the end of the day, we provide the track. The choice about whether you use the train or not is up to you. Trains can operate to the port of Brisbane today to be loaded. There's capacity.

Senator McDONALD: Yes, but at the moment they will have to unload. We can argue about this happily—

Mr Fullerton: It is an important point. To reiterate, ARTC supports a dedicated track. It's a matter for government, really—the federal government or the state government—to make those investments, as they have to date in Sydney. The \$400 million that we're investing in Sydney to improve capacity to Port Botany is grant funding from the federal government, announced in the budget last year.

Senator RENNICK: So Acacia Ridge to the port of Brisbane is a state government issue, not a federal government issue; is that right?

Mr Fullerton: The track is owned by the state government. It requires a business case. ARTC does not own it. Our track concludes at Acacia Ridge.

Senator WATT: And, you were just saying, the work that is occurring outside Sydney is being funded by the federal government.

Mr Fullerton: A lot of the investment that's going into upgrading track is either coming from the state or coming from the grant funding on projects that meet business case requirements—if they get assessed by Infrastructure Australia and it's deemed to be economic.

Senator McDONALD: There is this burning urgency to keep forcing through a route that there is no support for—across the flood plains of Millmerran and, for Goondiwindi, the Macintyre river crossing. You've acknowledged that this morning, particularly the Macintyre crossing. There is this burning push from ARTC to get this route completed, to get the EIS in and to get going. But I really need to understand what took all these other options off the table—the Warwick connection, the Cecil Plains connection—because whatever information I've been given doesn't examine the engineering costs. I appreciate that you can engineer whatever solution you'd like, but at the moment there is a budget, and the money will run out.

Mr Fullerton: I will ask Richard to comment, because it goes to—

CHAIR: I am mindful of the time.

Mr Fullerton: the document that's been tabled. The route history goes back to 2006. I think that document, in a very expansive way, takes us through the decision-making process since 2006 in relation to the alignment.

CHAIR: Can I just say something there, Senator McDonald, which I think it is very important for the committee to understand and for the community to understand, and everyone will make up their own mind. This was my line of questioning early in the in the piece, as most people would understand. There's a little bit of spin-doctoring going on, and I'm not pointing the finger at anyone, but we see port Brisbane to port Melbourne. What I've been trying to bring out is that this is a freight route, and it is a freight route predominantly structured to alleviate the pressure from trucks on our road infrastructure by putting it on trains, reasons that we could all argue for and against, and I support all that. But then, all of a sudden, we chuck in the word 'port' and we chuck in 'Gladstone', and we're now shooting off into different areas—which is not even the damn plan.

Mr Wankmuller: Correct. That's exactly right.

CHAIR: What we should do is take the politicians out of it and say, 'What are you actually building?' You're building a rail link between outer Melbourne and outer Brisbane to take freight off the roads.

Mr Wankmuller: It's called 'inland' rail.

CHAIR: Yes, that's it. I get that! I understand that.

Senator McDONALD: I get that, too, Senator Sterle.

CHAIR: That's what I've been arguing the whole time: stop talking about the ports!

Senator McDONALD: I absolutely understand that, but I don't understand why the answer that's always been given is that this 24-hour connection is the No. 1 thing we've got to meet, and yet there are people in prime agricultural land, in flood zones, in really dense communities—comparatively dense communities—who are being given no choice. The consultation has been very poor—

Mr Wankmuller: Can I—

Senator McDONALD: Sorry, just let me finish this, please; thank you—and there are alternative routes. My sense, and I would like your comment on this, is that in 2006, or 2010, when the concept of the inland rail route was first solidified, at some point ARTC has gone, 'This is it,' and there seems to have been no stepping back and going, 'We've actually got this horribly wrong and we need to take a breath and we need to go back to the minister and give him some honest advice, which is that we can engineer the proverbial out of this, but it's way out of the budget that has been provided and we need to go back and go back to basics.'

Mr Fullerton: Can I just address that point, because I think it is very material in terms of 'why are we building this thing'. If you read the 2010 alignment study, it was clear, as I said a bit earlier, that the service offering in terms of transit time and the size and dimensions of the train was a critical element to getting freight from road to rail. We have an opinion on that, and I'll give you a case study that demonstrates that point. But, more importantly, it was the customers who said that's what they need to switch. We're talking about customers like Linfox and Toll, who have the choice of moving freight by road or by rail. They are big rail users and they are big

road users. They have said to us that if we can offer a service that is road competitive and run those trains to the west—like we do—they will ship the freight. That's their view. That's why that was built. And it was reaffirmed in 2015. I'll give you a case study—Melbourne to Perth. Sydney to Perth has a market share of 80 per cent on rail. It runs trains of 1.8 kilometres that are double stacked for the bulk of the distance. The cost is 30 per cent cheaper than road. More interesting, though, the transit time for a premium train service on that corridor and the transit time for a truck are the same. That is why, on the east-west market, StarTrack Express, Australia Post—all traffic that has to be road competitive—is on rail. None of that traffic is on rail today.

Senator McDONALD: We agree. We are all loving Inland Rail. We are supporters.

Mr Fullerton: With respect, that's why I'm going back to the point about the service offering. The 24-hour offering is important. Today, only 25 per cent of the freight between Melbourne and Brisbane is on rail. And the current track isn't even continuous to Brisbane; you've got 150 kilometres that you share with a city network. Compare that to east-west, which is 65 per cent. Just imagine it: if you can match the service offering of road, you will go from a 25 per cent market share to 62 per cent.

Senator McDONALD: I quite understand that. Sorry for labouring this point, but I am not convinced that the modelling on the time for each of the sectors is so important. You are talking about a minute here and six minutes there. The price you are willing to pay for premium agricultural land—land that we already know floods, land that has got some of the biggest value-add regional businesses in our state. The comparative documents are just not taking into account all the factors that I think Queenslanders—and possibly all Australians—expect.

Mr Fullerton: And I hope I have explained why the rationale for that service offering is so critical. If we built Inland Rail without using any green fields, we would have had a track that nobody would want to use.

Senator McDONALD: This is the bit that I'm afraid I disagree on. I cannot accept that four minutes difference in a segment that would save the potential flooding and risk to a community, and our best agricultural land in that region, means that is not worthy of looking at. The engineering and all those things have not been considered. Lawrence Springborg tells me that he saw tags going up on land which was only on one route. There was never a serious consideration of another route in 2016.

Mr Fullerton: In 2016 there was an independent consideration of the three routes—through Warwick, through Karara and through Millmerran—and of the base study, which was effectively the 2010 alignment. Those four studies were independently reviewed, not involving ARTC, to compare those options against the construction cost and the impact on the service offering.

Senator McDONALD: But you can't compare construction costs. Mr Wankmuller did explain it; and I do understand that, when you do not have complete engineering costs, you are just going to compare like for like. But surely, as time has gone on, with the engineering solutions for both the Macintyre River crossing and now the Millmerran route, you must be going, 'Jeez, the budget is getting very skinny'—and we haven't even started on the Toowoomba section yet, the engineering for which is going to be very challenging.

Mr Fullerton: Mr Wankmuller did address that earlier in terms of like-for-like comparisons with those four alignments, but he is far more able to respond on that issue.

Mr Wankmuller: Can I just take a minute?

CHAIR: Take a minute, but I want to refocus the committee. We have a political announcement that has been made from outer Melbourne to outer Brisbane. Let's not get sidetracked by Acacia Ridge into Brissie; it's all important. The truth of the matter is that it's a half-baked project. I'm supportive if we are fair dinkum in this nation. Coming from a transport background, I know you've got to join A and B; you can't have this massive gap in between. We've got gaps at each end. That's not your fault. You've been given a bucket of—I nearly said 'crap' then. Sorry. You've been given a job that's not complete with the budget that it needs to carry on. That's not a statement; that's a fact.

Mr Wankmuller: Let me just give you an idea of what I think I should address right now, and you can tell me whether I should or shouldn't. I've heard two things. One is access to the port. The other is: why is 24 hours important?

Senator McDONALD: No, would you mind if I just say—because I don't want to waste your time, because the chair has flagged that I've taken up too much time already—

CHAIR: No, I'm just mindful that others want to ask questions.

Senator McDONALD: I understand that 24 hours is important. I've run businesses. I understand that people are going to make choices about which mechanism they're going to use—which supply chain. What I don't understand is why we seem to be locked into a route that is becoming obviously more expensive than alternative

routes and more challenging to the landowners who are on it. As time goes on, surely there must be a point where ARTC says, 'This one is now much more complicated than we thought, and we should go back and look at these other plans.' The couple of minutes difference is not material.

Mr Wankmuller: I can address that also. I did take a little bit of time in preparing for this, because I thought this would be a big question, as to why 24 hours is important and why we have our focus on that. I could take a minute and go through that. I could also comment on your questioning.

Senator McDONALD: I think we understand the 24 hours—the decision between truck and rail.

CHAIR: Let's make it easier. Mr Wankmuller, we'll give you the opportunity—because you know how critical I am, because I'm from that industry, and God bless the trucking industry, because they can't screw down the subbies any more. It's not the trucking industry's fault; it's the top of the supply chain. They all know my thoughts on that. Of course the truckies—or not the truckies but the transport companies—will say, 'If it's going to be quicker and cheaper, we're in.' Of course they do, because they're getting their fingernails pulled off by the likes of BlueScope Steel, BHP, Coles and all of them. Anyway, please answer the senator's questions, and I'll try not to fire up on the 24 hours. Do you know how many times I've said, between Perth and Darwin, 'I'll be there. No worries, mate. Sure—2.30. Not a problem. Whoopsadaisy—it's now 9.30 the next day. Sorry about that. I had a flat?' Go on.

Mr Wankmuller: I have a graphic that simplifies this, if I can hand it to you, and I'll run you through it really quickly. It's just the market characteristics we're dealing with and the environment that we have to operate in.

CHAIR: Sure, fire away.

Mr Wankmuller: When you get this graphic, you'll see there's a pie chart in the middle. It distributes and shows you where the revenue of the Inland Rail comes from—that revenue between Melbourne and Brisbane. What you'll see in the blue is that 66 per cent comes off the long-haul intercapital goods. In the light blue, the coal and mineral markets make up 25 per cent. In the purple, the agriculture market makes up nine per cent. But, more importantly for the environment that we have to deal in, each of those markets has different characteristics, so there are different stakeholder groups and different worries by the different groups.

CHAIR: I understand.

Mr Wankmuller: The 66 per cent is the domestic market, which Mr Fullerton talked of and which you rightly said is the basis between Melbourne and Brisbane, not the ports.

CHAIR: There's the trucking and there's your base freight. I've been supportive of building a rail for a while.

Mr Wankmuller: We're all done! We can pack up and go home. That's what this says. They have told us clearly—and they've told all of you, obviously, in all the submissions; I can read them out, but you know what they are—that they need it to be less than 24 hours to use it. They have actually said, in the case of the Rail, Tram and Bus Union, which you might be familiar with—

CHAIR: I've heard of them.

Mr Wankmuller: They and others have said that it needs to be more like 20 hours or 21 hours. Our modelling shows that, on the alignment that we're on, we have 23½ hours. We're flat up against it. We're in reference design; we're not in detailed design or in construction. That is why, Senator McDonald, the four minutes, five minutes or 10 minutes matter, because we're already up against it. If we wind up building something that takes longer than that, that big piece of the market doesn't use it, and we have a white elephant that's not used.

CHAIR: I'm just going to come in here. I'm going to come to you, Senator McDonald.

Senator McDONALD: Okay.

CHAIR: I understand all that, but I've got to tell you now: they won't be happy until it's 17, 16, 15 or 14. They will say, 'How can we get more freight carted more cheaply and put more money in the shareholder's pocket and stuff the poor bastard that's got the steering wheel in their hand, or the forklift or whatever?' So let's make it a little bit easier. We'll come to you. Let's get back into here. Those people who really are affected and have concerns are our main focus. Let's get back to how we're going to address their issues. I'll argue day in and day out that four minutes is not going to make it. Anyway, let's not waste too much time. Once you've got the freight on the bloody thing, you can control it.

Senator McDONALD: I have a photo here of a rail line from Townsville to Mount Isa that's just been reconstructed, and it's just been flooded again. It was only finished last April. And you want to build across a flood plain! Let me tell you it's going to be a lot more than 24 hours if you have a flooding event and the rail goes out. In that case, it will be months and perhaps years before you get your clients back on the rail.

Mr Wankmuller: I agree, so we have to build it right. That's why I gave you an indication of what we're building versus that photograph, to give you some idea of the expertise that's being utilised.

CHAIR: With your indulgence, Senator McDonald, can I go to Senator Watt or Senator Rennick. Senator Roberts has been waiting patiently.

Senator WATT: Thanks, Chair, and thanks, everyone, for your evidence today. I want to start by going back to a point that Senator Sterle and Senator Hanson were touching on before, which is about the interaction between ARTC and ministers. I'm interested in the extent to which ministerial views or input or government policy have guided ARTC decision-making. Let's start with route selection: have those decisions been genuinely independent decisions of ARTC without influence from ministers or government policy?

Mr Fullerton: I think the important document is the one that we've been circulating, which is that route history, because that does really describe the story from 2006 on how the route has been determined. It is worth studying it in detail because it has been an expansive, extensive process to come up with a route that's going to work for the industry, that maximises the amount of brownfields that we use and minimises greenfields where we can but that, at the end of the day, can deliver that service offering. That is what governed the report in 2010. In 2015, there was the establishment of the Inland Rail Implementation Group chaired by John Anderson, which we were a member of along with the states of Victoria, New South Wales and Queensland. That group did a review of that alignment and reaffirmed that alignment, with some minor changes, from 2010. And that report to government then recommended that alignment which is, effectively, in the 2015 economic business case. So confirming the alignment has been a process over a decade.

The reasons why it was important were to get it as flat as we could, to use as much brownfields as we could possibly use and to meet those service offerings in terms of the characteristics of the train—double stack, 1.8 kilometres long, 25-tonne axle loads at 80 kays an hour and so on. The reason that we put so much effort into developing that document that has been circulated was, I think, Senator, to try and address that question—that this has been a longstanding process over 10 years to confirm that alignment. When ARTC was initially given the task to do some preconstruction works and we started, and then in 2017 when we were tasked with delivering the project, we were given that alignment to go there and do some refinement and start to test some of the elements of that alignment with the communities. I referred a bit earlier to the west versus east of Narromine, the Pilliga Forest, how we should cross the Macintyre and what we should do across the Condamine. I did also say that that then led to an independent review because of concerns expressed about the Condamine and whether we should look at alternatives.

That's the story that has been around for a long time, and I think there are well-documented reasons why decisions were taken. Whether people like those decisions is another thing, but it's a well-documented process to confirm that alignment, and we're now going through the final phase, which is to try and zero that down into a precise alignment—

CHAIR: Mr Fullerton, I'm sorry. So far you've been doing well. Don't ruin your good record today; you've been going great guns. But, in terms of Senator Watt's question, can you just get to: has there been any political—what was it, Senator Watt?

Senator WATT: Influence. To put it another way—I'm not saying that that's being nefarious or bad. To the extent that people are unhappy with the route selection issues, have they been 100 per cent decisions of ARTC or have there had to be compromises or adjustments made to meet ministerial requests or government policy?

Mr Fullerton: Categorically, I can answer no—none whatsoever.

Senator WATT: Have there been significant matters, whether route selection or configurations of the project or anything like that, where ARTC has put a view to government but that view has been rejected? I don't need to get into every little piece of nitty gritty, just significant decisions about route alignment, the configuration of the project, timings of things—the big things people have been vocal about. Have the government and ministers gone along with your recommendations or have there been adjustments made?

Mr Fullerton: I can't recall any adjustments being made. There has been a thorough process to determine decision-making—even the refinement, as I mentioned earlier in some examples. That's been based on good evidence.

Senator WATT: So, to the extent that people are unhappy, rightly or wrongly, it's on ARTC rather than ministers or government. Is that a fair conclusion?

Mr Wankmuller: There is one example, in the government directing us to a certain location which makes a lot of sense—the Gowrie to Kagaru section, in Queensland. We were asked to stay within the corridor that had

been predefined as a freight corridor. It makes sense to be in that corridor, and we were asked by government to stay in there.

Mr Fullerton: It was gazetted by Queensland. That was part of the agreement, that we would continue to build the railway line from Gowrie to Kagaru, where it joins the existing interstate line—that that corridor was determined by government.

Senator RENNICK: When you say 'government', which government—the federal government?

Mr Fullerton: Queensland.

Senator RENNICK: Okay.

Senator WATT: Unfortunately, due to another commitment I had in Melbourne yesterday, I couldn't get to the Millmerran hearing. One of the central complaints here has been a lack of genuine consultation with the community, and you've acknowledged some issues there as well. The feedback that I was given is that people feel that they have been going through the motions; they are asked for their opinion, but nothing really changes. Can you point to any examples where significant changes have been made to this project as a result of community feedback?

Mr Wankmuller: Yes.

Senator WATT: Do you want to give us one or two?

Mr Wankmuller: We can give you a few. Rebecca?

Ms Pickering: There are some that are noted in the appendix to our submission; so they are detailed. I think we said earlier today that we had received feedback, about flood markers from landowners' properties, that had been utilised to inform our modelling, which has in turn influenced aspects of the design. There are examples where we've collaborated with the landowners to adjust the locations of level crossings or access roads and to take on board feedback. Down in Victoria there was lots of feedback, where the community were not happy with where we were progressing a design for a bridge. We are seeking to respond there, to collaborate with the community to get them more involved in the redesign work required there. That's just a small handful, but there are lots of examples right along the alignment.

Senator WATT: I might take a look at those examples in your submission, then. One of the other things that I understand came up yesterday was that a large number of people who attended yesterday's hearing said that they had finally received responses from ARTC to emails, letters and other issues that they'd raised, in some cases, many months ago. They finally received a response from ARTC in the 24 hours leading up to yesterday's hearing. Is that accurate? If so, can you understand why that does give people some concern?

Mr Wankmuller: If I know what you're talking about, the statement's accurate, but the implication about why is not. The statement's accurate. Not that you're implying—

Senator WATT: I think the implication was made that it was somewhat coincidental that, many months after people sending in issues, finally they received a response within 24 hours of a Senate committee hearing.

Mr Wankmuller: We'd be happy to provide a chronology of why it happened the way it did. I disagree with the implication made by others, but there were a number of responses within 24 hours—

Senator WATT: Again, I take on board what you're saying—that you're making a much bigger effort around community consultation than occurred earlier—but can you understand that, if that is occurring, that still creates a sense of cynicism about consultation?

Mr Wankmuller: Absolutely. A lot of things have happened in between. We could get into the specifics, but there have been a lot of times when people ask a question and we go off on a sideways mission a little bit. People ask for more involvement in discussion about how we got some of the alignment decisions we did, and then we form a roundtable and the Deputy Prime Minister gets involved. They get on the roundtable, and we start talking at the roundtable. We think we're making progress at the roundtable, but we haven't answered the email yet because we're at the roundtable. So it takes different directions while you're still working with people.

Senator WATT: The other thing I want to pursue—and Senator Sterle might want to pursue this as well—is that, in early January this year, I think via a letter from Senator Sterle, the committee requested a number of documents from the ARTC and responses to concerns raised in submissions. Am I right that we're still waiting for those responses and those documents?

Mr Fullerton: I'm not too sure what documents you're referring to. Could you elaborate, Senator?

Senator WATT: My understanding is that Senator Sterle wrote a letter through the committee secretariat.

CHAIR: What are you looking at me for?

Senator WATT: It might be more accurate to say, 'Senator Sterle signed a letter.' One example is that we made a request for a compendium of all routes selected in a sequence of studies.

Mr Wankmuller: And that's what this is. What we have done, I think, is overdelivered. We've taken piles of reports and summarised them.

Senator WATT: Which one is that?

CHAIR: I can help you out. We received an answer to our request last night at about 6 pm, I believe, except that I requested the EY document and I've been told by the secretariat that you can't hand it over to me because it's not your document, to which I said, 'What a load of crap!' because you commissioned it. Am I led to believe that you don't own it yet or they haven't given it to you yet? Mr Eldridge, you've been sitting there quietly. I still reckon you look like a lawyer. It's your turn. Does that help you out, Senator Watt?

Senator WATT: Yes.

Mr Eldridge: The EY report that was requested was actually commissioned by the federal department of infrastructure.

CHAIR: That doesn't matter. It's still taxpayer funded. You can't tell me you can't give it to us.

Mr Eldridge: We don't have it.

CHAIR: You don't have it because it's not completed yet or is it sitting in the department?

Mr Eldridge: As I understand it, it hasn't yet been completed.

CHAIR: Why don't you do us a favour? Why don't you chase it up?

Mr Eldridge: We will.

CHAIR: If we've got to have the conversation with the department, we'll follow it up. I know how the department works, at the end of the day.

Mr Wankmuller: There are two different reports, obviously. We did make this available.

CHAIR: Yes, last night.

Mr Wankmuller: This is a summary of everything the EY report addresses.

CHAIR: You wouldn't believe this. I was on the road coming back from Millmerran, so I did read it.

Mr Wankmuller: Did you? Good.

Senator WATT: I will obviously have to take a look at that myself. I didn't have a copy of that with me. Some of these questions might be answered in the documents that you've provided, but obviously we haven't had much opportunity to review them yet. Just sticking with the compendium of the route selections and the studies, in Millmerran yesterday we were told that the route selected was the third in line out of four choices, with a fifth route—forest, west of the town—not even considered. I know we've gone over some of these issues a little bit today, but are you able to respond to that statement?

Mr Wankmuller: There's quite a bit of detail in here on that. It goes through exactly the decision process that was made around it. We're quite happy to come back and talk about it. We realise we only got it to you last night.

CHAIR: This concerns the Macintyre and that area that we were talking about? Yes, you will.

Senator WATT: It sounds like that might be addressed in some detail in the documents that you provided. One of the submissions we've received claims that there's a document in your submission to this inquiry—attachment 1, figure 5—that is not an accurate copy of the Inland Rail Implementation Group's 2015 figure 1 map. And it does seem that these maps have different formatting scales and other differences. Do you know whether there has been any inconsistency between the documents the ARTC has provided to this committee and earlier versions?

Mr Eldridge: The map that you refer to is of the Inland Rail alignment as it is in 2019.

Senator WATT: This is the one that is an attachment to the submission?

Mr Eldridge: That's correct.

Senator WATT: So it is simply that things have moved on since 2015, and the one we have been given for this inquiry is the current version?

Mr Eldridge: Yes.

Senator WATT: I notice that that document you have provided to us today divides up what proportion of the business you expect to get comes from which sectors of the economy—with 66 per cent been long-haul inter-capital goods, 25 per cent being coal and minerals, and nine per cent being agriculture. There is a note alongside

'Coal and minerals' that says, 'The market may be shrinking and there is vocal opposition to coal trains.' What do you mean by 'market may be shrinking'?

Mr Wankmuller: It depends on whether some of the pressures on the coal industry are realised and there are restrictions on coal production. It is a comment, not a statistical thing.

Mr Fullerton: Could I add to that. That document is based on the tonnages that were forecast in the 2015 economic business case, which had a maximum of 19.5 million tonnes per annum. I think only about seven million tonnes per annum is currently exported. So I guess that is a question about whether the future expansion of those mines will occur and the longevity of coal.

CHAIR: You've raise a very good point, Senator Watt. This says to me that, even more so now, you are going to rely on the transport operators to come on board, which is going to give us even greater pressures.

Mr Fullerton: Correct.

CHAIR: That's a key thing I didn't pick up. Well done, Senator Watt.

Mr Fullerton: I think that came up in a question at Senate estimates. We did do sensitivity testing around the coal. The economic business case said that the BCR of this project was 2.62 at four per cent. But even with reduced coal tonnages it is still above two.

CHAIR: This could be leading to a real white-knuckle brawl. The transport operators will see an opportunity to squeeze a bit more out of you. Hence Senator McDonald's question: does it really make a difference for four minutes? I'm really not getting a good feel now. It is beyond your control; I get that. I think our political masters need to come up with a lot more money, then. It's not likely, though. Wow, it's getting worse!

Senator WATT: The coal market may be shrinking. None of us knows that for sure, but you have even acknowledged that yourself here. What impact would that have on the viability of this project?

Mr Fullerton: We have provided that answer—and I can dig that answer out. We did sensitivities around no coal or four million tonnes of coal—and we are currently at seven million tonnes per annum—and we still have a positive BCR. So it doesn't affect the viability of the project, based on a BCR assessment. We can provide you with that detail.

Senator WATT: You said it went from four to two—

Mr Fullerton: The 2.62 is based on 19.5 million tonnes per annum, the number you see on that slide, which is in the business case. It falls to the low two's, I think. But I would prefer to provide you with that precise data.

Senator WATT: What modelling occurred that led you to factor in the 19 million tonnes per annum?

Mr Fullerton: That was based on mines that were in the planning stages and it was also based on the capacity of the current terminal infrastructure at port.

Senator WATT: Was that internal modelling, or did you hire someone to do that for you?

Mr Fullerton: PricewaterhouseCoopers was involved in the modelling of that work, along with ACIL Allen in the development of that business case.

Senator WATT: To cut a long story short: if, through changes to the world coal market, you don't achieve that 19 million tonnes per annum, that does reduce the profitability of this project, although it remains profitable?

Mr Fullerton: Yes. It would reduce the economic benefit, which is expressed as the BCR. But I would like to provide you with that specific answer.

Senator WATT: Yes. That would be helpful. But I think what you were just saying in response to Senator Sterle is that the expectation is that if the carrying of coal were to diminish—or anything else, for that matter—you'd expect to see that capacity picked up by something else.

Mr Fullerton: Yes.

Mr Wankmuller: Especially over the long haul.

Senator WATT: Just as you got PwC to do some modelling about coal, I presume you've got someone to do some modelling about long haul into capital goods and agriculture.

Mr Fullerton: Yes.

Senator WATT: That modelling has told you that it's likely that by 2030 or 2040—whenever—you can expect to see a growth of this amount in agriculture. Why are you so confident then that that spare capacity in coal could be picked up by something else, if you've already got modelling telling you what it's likely to be?

Mr Fullerton: We haven't made that judgement about the spare capacity. In the business case, a lot of modelling was done around the intercapital freight, which is the 66 per cent that Richard referred to. The

modelling talked about the growth—the size of the market. As I think I've said at estimates before, the Melbourne-to-Brisbane market is about five million tonnes of freight. We've only got a bit over a million tonnes of freight on rail. That's the 25 per cent market share. The modelling that Pricewaterhouse did with ACIL Allen was to assume that, if you could run those big long trains over shorter distances, less than 24 hours, we would be able to capture 62 per cent of that market share. That gives you the 66 per cent, in terms of the total volume. That was all modelled. It was, I believe, conservative, because with similar characteristics we get 80 per cent east-west for Perth, and it also assumed our access pricing was the same as what we charge today on the interstate networks. So it was a bit of conservatism in the model—the 62 per cent market share. But it really meant that you were trebling the volume that moves on rail today, because you went from a million tonnes to 3½ million tonnes, effectively—I think that's what was in the business case—over time.

Senator WATT: Just to be clear—and I suspect that we will have to have you back for a range of other things—you were saying that if coal were to diminish it would lead to a drop in the BCR, from this to this, and the lower amount was two.

Mr Fullerton: I need to check that. I think it was a bit over two.

Senator WATT: But that also assumed an increase in—

Mr Fullerton: No, it didn't. It was the status quo.

Senator ROBERTS: I just remind everyone that this is an inquiry into the management of the Inland Rail project by the Australian Rail Track Corporation, so it's the management we're focusing on. My particular focus, so you have some understanding of where I'm coming from, is: as a senator, I'm responsible to the people and I'm working on their behalf to keep people such as yourselves accountable. I look at the economics, which is about productivity, I look at the security, which is about the risk, and then I also look at the future, because that's the risk to the people who are not yet born in this country.

I look around me in Canberra. I hear people talking about 'all those bright people in politics in Canberra' and, frankly, I don't see them. People in Canberra are no different from anywhere else. People in Canberra have their frailties, their ignorances, their egos and all the rest of it. I look at Snowy 2.0, for example. I don't want you to focus on this, but Snowy 2.0, we're told by the government, is going to be a \$2 billion exercise. We can see now it's going to be about \$12 billion by the time you throw everything in. There's been no business case ever released about Snowy 2.0. That scares me, and it's going to be destroying our energy sector. We have destroyed our energy sector. We're destroying our water sector. Land use is now problematic. We've had an NBN that's got a blowout of four times its initial cost—never had a business case on it!—and we've got a tax system that's driving everyone into counterproductive behaviours.

With what I've learnt, Mr Fullerton, the response from the Australian Rail Track Corporation in Senate estimates in 2016 and 2017 was very disappointing. They didn't show any inclination to look at any alternative other than what the ARTC came up with. That was disappointing. A number of questions were raised, and they're starting to come home to roost now. I've also heard people in Millmerran and other people in southern Queensland, and that doesn't leave me with confidence. Data is ignored. When hard data is ignored, it leaves me with a lot of lack of confidence in the management. As I said to Mr Wankmuller, you got a lot of praise yesterday, and that was encouraging, so maybe the management is changing. But one of the things that bothers me is the cultural aspect, and we talked about that briefly during the break. If the initial concept is not correct, the whole project is wrecked in the future, and we'll be paying for this for the next 100 years in inefficiencies.

The other part about the culture is that it's what determines the integrity of the project. At the moment, I have serious reservations about the intent of the ARTC, about the integrity of the ARTC and about the competence of the ARTC, based upon what I've picked up. What I would like to do is to understand that the culture is changing, because the culture is the biggest driver of productivity, the biggest driver of integrity, the biggest driver of risk. I'm scared about this project, because it's turning out to be, as I see it, another typical Canberra know-it-all bulldoze-through. So I would like to understand your business case, Mr Wankmuller. Is there an opportunity, rather than dragging it out here, for me and some of my advisers to come and sit down with your people and go through the business case?

Mr Wankmuller: Absolutely.

Senator ROBERTS: Thank you very much.

Mr Wankmuller: Can I address your culture question for a second?

Senator ROBERTS: Yes.

Mr Wankmuller: I actually didn't get to it in my opening statement because I went on too long.

Senator ROBERTS: You were hijacked, yes.

Mr Wankmuller: But I did plan to speak to that. In the new leadership team, we are instilling a culture, and it is a culture of discipline and that public safety is job 1. That's part of our culture. We have a commitment, as part of that culture, to transparency, and we have all agreed to communicate directly, honestly and simply and to have empathy for the people who are most impacted, because they're doing the hard yards. That is what we talk about. When we select people, that's what we look for—that they can be part of that team and drive that type of culture going forward.

Senator ROBERTS: Yes, and that starts at the top, with the leadership. I understand that. But it's not what people are picking up in dealing with your organisation.

Mr Wankmuller: I understand that.

Senator ROBERTS: They are picking up, from what we heard at Millmerran—a number of people said they can see that you're changing something, but there's a long way to go. There's a lot of money at stake here. There is 100 years at stake. I notice on the bottom of this document that the life of the asset is 50 to 100 years, not 100 years.

Mr Wankmuller: Yes.

Senator ROBERTS: So we're locking in some inherent inefficiencies if we're not careful here.

Mr Wankmuller: Absolutely correct. That's one of my biggest concerns: when you have an asset like that, when you start designing an asset for the reality today, it's probably not going to be adequate in the future, so you need to really make sure you've done the best job you can today.

Mr Fullerton: Senator, could I just add to that, because you made some points earlier around the business case. There is a business case, the 2015 business case. That's been endorsed by Infrastructure Australia. The important thing about that business case, if you read the first three or four pages, is that it's all about the strategic rationale for this project. I think that's very important. This is not an engineering project. Having said that, the engineering is very important and the alignment is very important. But the strategic value of this project, to build a world-class railway on the east coast of Australia, the fastest-growing population region in Australia, with 70 per cent of the population, is critical for my kids, my grandkids and the future generations for the next 50 years. We would be very pleased to take you through that business case. It's not something that ARTC has written itself. It's been through a decade of consultation with industry on why it's important.

I do acknowledge, right upfront, the feedback that's coming out of the Millmerran areas about engagement. I think we dealt with that earlier. We get it. But, in terms of what ARTC does more generally, we've had 20 years of history. We've spent \$6½ billion upgrading the interstate network, which had been neglected for 20 years, to a point where you can actually run decent trains. We've expanded the coal network in the Hunter Valley. It's now a world-class supply chain, in terms of how we interact with coal producers, the rail operators and the Hunter Valley coordinators. I would be more than happy to sit down and talk about how culture is important to us, how we engage with our people, our customers and our stakeholders. We have tens of thousands of neighbours that live next to our corridors all over Australia. Our reputation with them is very important. It's why we feel the way we do about the feelings of all those people in those greenfields areas. It hurts us. We recognise it. We haven't done it so well, and we're going to fix it.

Senator ROBERTS: With due respect, I've just rattled them off. With energy, we went from being the cheapest electricity in the world to the most expensive. Water, land use—all restricted now, because of Canberra. We're coming from Canberra, so I'm going to put you under scrutiny that way.

Mr Fullerton: We're not Canberra. Our head office is based in Adelaide.

Senator ROBERTS: The Canberra bubble is where it comes from.

Mr Fullerton: ARTC is not in Canberra, in relation to that. In terms of future-proofing, I do acknowledge your engineering background. We put a lot of work into the business case around future-proofing. It is a hundred-year asset. We look to the US. We made a decision to make sure that the future design is good for a 30-tonne axle load—

Senator ROBERTS: These are things that I would like to understand better.

Mr Fullerton: and longer trains, so that, when we build this thing, it's taking into account that it's going to be around for 100 years. We would be very pleased to take you through that.

Senator ROBERTS: I would like to understand the nitty-gritty of train frequency, train length, train intervals, all of those things. They're fundamental. If that doesn't work, nothing works.

Mr Fullerton: We appreciate that.

Senator ROBERTS: The other thing is safe crossings. Will they all have automatic gates? What about school bus routes?

Mr Fullerton: A lot of work is going into to the design of level crossings. There is a standard that we do have. We work with all the state governments in relation to when you trigger a grade separation, when you trigger active crossings with flashing lights and boom gates, when you trigger passive crossings. That's something that the team is very heavily engaged on. Maybe Richard or Rebecca can add to that. It's something where we're working with each of the states, in terms of the standards that need to apply around frequency of use, line of sight—there is a heavy focus on all those types of things.

Senator ROBERTS: In Victoria, for example, last year there was a hell of a concern about the number of level crossings, and they're trying to get rid of them. Here we are now, adding more on the Inland Rail.

Mr Fullerton: And removing some, too.

CHAIR: This is very important. Maybe we should get the senators together and say, 'Let's pick a time, maybe a Friday of a sitting week, when we may be able, if we agree, to have a full-on briefing from ARTC about, rather than the disruption to the lives of certain people on the track, the technical side too.' Would that assist, Senator Roberts, if we work with you?

Mr Fullerton: We are more than happy to do that.

CHAIR: I will put that on notice for the secretariat to tee that up. I was going to suggest maybe the estimates week, but that might be too busy for people. We can actually go through all this sort of stuff.

Senator ROBERTS: One final question: you made a commitment today that, if it didn't work out, the route would be changed from D1 at Goondiwindi back to A, or something else. It's not locked in. Would the same apply at Millmerran—it's not locked in?

Mr Wankmuller: All along the route we're looking at where we can tweak it to make it better. It's not just Macintyre and Millmerran. There are a lot of places in New South Wales where we have discussions going on.

Senator ROBERTS: So the Millmerran route is not locked in?

Mr Wankmuller: Millmerran's complete route is not locked in.

Senator ROBERTS: And the structure itself is not locked in either? The embankments—instead of having a two-metre dam—

Mr Wankmuller: The structure itself is nowhere near locked in. Again, we're in reference design. We're trying to give people visualisation of what it might look like. It may look different when we get to detail. When we get the marketplace involved and they come back, maybe they will have a different idea. We're going to make sure that it's safe and we're going to make sure that it can handle debris, but it may look a little bit different.

Senator ROBERTS: That's a big concern there. They don't want a two-metre dam across their flood plains.

Mr Wankmuller: Absolutely. Neither do I.

Senator HANSON: Can you name some of those former members of parliament who are on the board of Inland Rail or ARTC? I've heard you say that Warren Truss is one who is on it.

Mr Fullerton: Yes.

Senator HANSON: Did you mention John Anderson?

Mr Fullerton: No, he's not on the board.

Senator HANSON: He's not? Was he previously? Has he ever been?

Mr Fullerton: Who?

Senator HANSON: John Anderson.

Mr Fullerton: No.

Senator HANSON: So it's just Warren Truss as a former member of parliament who's on it. In what capacity?

Mr Fullerton: Chairman.

Senator HANSON: As chairman of the—?

Mr Fullerton: ARTC.

Senator HANSON: How long has he held that position?

Mr Fullerton: Since April 2018.

Senator HANSON: Does he advise the minister?

Mr Fullerton: No. We're a GBE under the Corporations Act, so he's chairman of the board and fulfils that role as an independent director.

Senator HANSON: Okay. I have to agree with Senator McDonald that it is a great concern about the flood plains and what is happening there. I think you're selling everyone a pup as far as it going from port to port. It doesn't go from port to port. Actually you're going to have 45 trains—or 43 you've clarified—going to Acacia Ridge. How far is that from the port? It's a suburb of Brisbane.

Mr Fullerton: I think it's 30 kilometres.

Senator HANSON: So you're going to have those trains going there unloading. So you're going to actually flood the heart of Brisbane with all your trucking, to move all that, so it's not going from port to port. Who is going to end up wearing this? It will be the residents of Brisbane, because we're going to have all these trains coming in with all this cartage.

Mr Fullerton: I might try and explain what I said a bit earlier. The freight that goes to Acacia Ridge today is domestic freight that is either despatched from Acacia Ridge to southern states—

Senator HANSON: Which is eight train loads a day.

Mr Fullerton: There is no freight that goes into Acacia Ridge today—and we need a million tonnes on the corridor today, per year—none of that freight from Melbourne goes to the port. And when we treble that freight, and that 66 per cent that Richard referred to—that freight will be consumed by Queenslanders. It won't be going to the port.

Senator HANSON: Right. Hold on. I must be missing something. We've got—I'll use your figures—43 trains a day with double headers or triple headers; what are they?

Mr Fullerton: There's a combination. There's coal trains, agricultural trains and intercapital trains.

Senator HANSON: So they can't go any further than Acacia Ridge? Is that right?

Mr Fullerton: That's the only place they need to go to.

Senator HANSON: Then where do they go to from there?

Mr Fullerton: The coal trains go to the port.

Senator HANSON: Right. How do they get there?

Mr Fullerton: On the existing corridor.

CHAIR: Let me assist Mr Fullerton, because I know exactly where Senator Hanson is, let's talk about the proposed container freight—leave out the agriculture, leave out the coal—that will now be going into Acacia Ridge for distribution, through distribution centres, trucking yards and clients. That's where you're concerned.

Senator HANSON: Right.

Mr Fullerton: It doesn't go to the port.

CHAIR: No. Senator Hanson understands that. What she's saying is all this brand new freight—of the 45, however many will be general freight double-stacked containers that need to be distributed domestically through Brisbane. I am 100 per cent with you on that one, Senator Hanson. I know Acacia Ridge, because I used to run into there, and it is now going to now be, allegedly, probably a massive distribution centre, where the roads aren't up to structure, traffic lights aren't—

Senator HANSON: Correct. So what's being done about that?

Mr Fullerton: This is not new freight. Seventy-five per cent of the freight that goes into Brisbane now from Melbourne is on trucks.

CHAIR: Yes. But it's not all going to Acacia Ridge, Mr Fullerton.

Mr Fullerton: No.

CHAIR: We all know it's going to the northern suburbs—

Mr Fullerton: Well, it goes to two locations at the moment. It goes to—

CHAIR: No. It goes to hundreds—you mean on the rail line?

Mr Fullerton: Right.

CHAIR: But that's not where Senator Hanson is going.

Mr Fullerton: No. It goes to Acacia Ridge and—

CHAIR: She doesn't want to talk about what's already there. It is the new freight mode.

Senator HANSON: I've got limited time. What is being put into place? I want some answers. What is put into place to distribute that so it's not going to be congested for people in that area, and to get it out. I'm not interested—you can sell your pup to everyone else, and all the rest of it. I'm concerned about the people in Brisbane; the residents there who have to actually put up with all this. There will be idling trains, 45 trains a day. You're putting them there, when it has been suggested that possibly it is best to use the Gladstone port if you're going to be shipping a lot of this out. Because from Gladstone they can actually then move it around the state or bring it down to Brisbane.

CHAIR: Can I help? I'm sorry; I'm with you all the way, and I think in all fairness that is a question we should be putting to the department to get back to the minister.

Senator HANSON: Okay. I don't mind. So long as somebody gets the answer.

CHAIR: That's what I think, Senator Hanson, because ARTC's remit is: 'Here's your bucket of things. Make it fit.'

Mr Fullerton: Yes.

Senator HANSON: Right.

CHAIR: I'm not trying to defend them—by God you're in the hot seat here, you lot—but I think it goes further up the chain, Senator Hanson. It's a darn good question that we need to put to the minister's proxy, which is the department. Is that fair?

Senator HANSON: All right. Thank you. I'm pushing through this. I want to get some answers. That's very important for the people here. They need to know what's going on.

CHAIR: They do.

Senator HANSON: What has been raised also is compensation and the flood plains. There's talk that you are going to have these walls going up. You've got coal that's there to get the water away. We know that they are getting blocked, even for floods now. There is no way in the wide world across that flood plain that you building a raised—six-metres high in some places—trains going to be that high, with the flood plains that are there. It's not a one-in-100 year flood we're talking about. They actually have happened 10 or 15 years apart. There have been flood waters rushing through there. Are you aware of the Transport Infrastructure Act of 1994, section 250(2)(c)?

CHAIR: You're going to be. I am.

Senator HANSON: Actually it was taken to court by someone. I'll read it out to you:

... sufficient works to ensure the neighbouring land's drainage is as good, or nearly as good, as it was before the existing railway was constructed.

Mr Wankmuller: Right. That's exactly what we're doing. That's exactly the design criteria.

Senator HANSON: Right. Do you know that's been challenged in the courts? It was people from Forest Hill and they actually won it.

Mr Wankmuller: But what I'm saying is our design criteria is to minimise what's called afflux: the additional flooding impact. That's our whole design criteria. The way you decide what structures are there is—in order those flood waters don't back up. That's the whole trick here: it's to make sure you put in enough structures with enough flow-through of the water so that your structures don't make the situation worse. It's going to flood anyhow. We just can't make it worse.

Senator HANSON: I'm pleased to hear that.

Mr Wankmuller: Yes.

Senator HANSON: But, what happens when you do your job and the rail is built? You walk away. And then who is going to be responsible for this? Who is going to pay for this? The taxpayers? Who is going to be sued? Will they come after you and sue you? I don't think so. I want to know how this is going to be dealt with, because I'll tell you what, I don't trust you.

Mr Wankmuller: I'll answer your question. You want us to answer your question.

Senator HANSON: Yes.

Mr Wankmuller: We talked already about expert panels. We have an entire team that's designed with world-class expertise to make sure that doesn't happen. We understand there are a lot of people that are suspicious about whether that will work or not, and that's why we have a world-class expert panel to look at it again from all different views of the world.

Senator HANSON: Then I'll go to the question. You've had other proposals put to you about the forestry route, which is partly owned by the state government. It is not going to impact on homes. In the Millmerran-Gowrie area you've got houses within 100 metres of the line: 54 houses, 30 sheds and three silos. Within 200 metres of the line there are 123 houses, 75 sheds, one picnic shed and five silos that are going to be affected by this. If you took the alternate route, the forestry route, it would not impact people as much. Why are you not considering that route?

Mr Wankmuller: There are all kinds of things we looked at in the route selection. One of them is exactly that. That's why we have a design criteria not to make it worse, not to make that afflux any more than—depending on the type or structure—20 millimetres to 30 millimetres. That's where we're spending all the money; to make sure that doesn't happen.

Senator HANSON: All right. So the route that you've taken now is actually at 612 metres elevation. So it is 612 metres higher than taking the other route, the forestry route. Trains are going to use more diesel, and produce more carbon emissions, so there will be more impact on communities. And another thing is that it has been brought to our attention that one property owner in Pittsworth has a bore down. If you start drilling into that and you go lower than it, what guarantee is there that you're not going to destroy his water?

Mr Wankmuller: We're regulated not to do that and it would be—

Senator HANSON: What guarantee can you give?

Mr Wankmuller: We have penalties if that happens. But we'll have a design that tries to ensure that we don't hit it and that, if we do hit it, we'll have to address it as part of the state EIS process about how we're going to avoid that in some great level of detail.

Senator HANSON: And who pays for it?

Mr Wankmuller: The project will have to pay for it.

Senator HANSON: The project manager?

Mr Wankmuller: The project would have to pay for it.

Senator HANSON: The project, which is again the taxpayer. If you destroy—

Mr Wankmuller: Absolutely. Any cost the project incurs—not any but the lion's share—is funded through the federal government, which eventually makes its way back to the taxpayer. Correct.

Senator HANSON: Which comes to my point. You have stated in your paperwork here that the cost of this project is \$9.3 billion. Is that correct?

Mr Wankmuller: No, that's the government's equity share.

Senator HANSON: What is your prediction?

Mr Wankmuller: There are other sources of funding. The government puts up \$9.3 billion and then ARTC put up some through their balance sheet. There's the PPP option. They'll have some contribution through the private sector. The \$9.3 billion is specifically the Commonwealth's.

Senator HANSON: Ernst & Young have indicated in some paperwork here that I have read that they estimate it could cost us as much as \$16 billion.

CHAIR: Sorry, that's very important, Senator Hanson. Is there any PPP? Is there any private money committed to this?

Mr Fullerton: Yes. The way the PPP would work is private money would come in and—

CHAIR: I understand. Following Senator Hanson's line of questioning: how much money has been committed to this project?

Mr Fullerton: Nothing yet.

CHAIR: Right. This opens up another whole thing, Senator Hanson, which I am glad that you have raised. All of a sudden we're getting all excited about some inland rail project—the backbone of the nation, which a lot of us would like to see eventually, if it's done properly—but it's still just a pipedream at the moment.

Mr Wankmuller: No, sorry. The statement is correct. We have done an EOI process. We have three submitters, all of which are perfectly happy to put up money. We're going to go to a competitive proposal and pick between those three.

CHAIR: Don't tell me who they are if it's a big secret, but is the money there to build this project as has been announced with all the fanfare?

Mr Fullerton: Yes. The estimate that was attached to it in 2015 was \$10 billion at a P50 estimate and \$10.7 billion at P90, including all the components of the 13 projects, including the PPP.

Senator HANSON: If that's how much it's going to cost to build the railway line, how much is put aside to pay compensation to people with properties affected by problems such as flooding, noise pollution and all the rest of it? How much has been put aside to pay for compensation for this?

Mr Wankmuller: It's \$494 million. That's for land compensation. It's to buy the land along the route.

Senator HANSON: So \$494 million has been put aside just to buy the land?

Mr Fullerton: That's within the budget.

Senator HANSON: I asked the question: how much has been put aside for compensation for people who are going to be impacted because of what is going to be there? Have you got the \$5 million to put up the soundproofing and all the rest of it that needs to be done? What about the people on Acacia Ridge? What about all of the soundproofing that you need there for those 50,000 people in high density?

Mr Wankmuller: That's two different sections of the funding. Land compensation includes compensating people for impacts, if they're due for those impacts—that is in the money that I mentioned—and the soundproofing and the mitigations that we have to pay for are paid for elsewhere in the budget.

Senator HANSON: Which budget? Whose budget?

Mr Wankmuller: The project budget. Not the federal budget.

Senator HANSON: How much is that? Give me an indication.

Mr Fullerton: The \$10 billion that was—

Senator HANSON: How much?

Mr Fullerton: It was a \$10 billion budget at a P50 probability, with contingencies. The budget is explained in detail in that 2015 economic business case. It's broken down into all different parts.

Senator HANSON: That's basically just to build the railway line, because we know costs go up. Year in, year out, costs go up. There are always blowouts. This is going to be a blowout. What has the government put aside to compensate the people of this nation if they have loss of property or for whatever reason—compensation. I have just read you a bit out here from the Transport Infrastructure Act about compensation and the court system. What about people in Millmerran and Pittsworth? People got flooded out from the flood plains there. You've got prime, agricultural farming land. If you destroy their farming sector, are they going to be compensated for it? I want to know if there's compensation put aside that you are aware of, or should this question go to the minister?

Mr Wankmuller: There is compensation put aside for business impacts to affected—

CHAIR: But not for future damage.

Mr Wankmuller: We're happy to give you the details of that.

CHAIR: So you are saying, and you've made it very clear, that you've got a bucket of money, \$494 million, for land compensation and whatever—

Mr Wankmuller: Yes, which includes the purchasing of the land.

CHAIR: No, I understand all that. But if there is a once-in-a-lifetime flood that was not supposed to be here for a hundred years but it pops up one year after this is built, there's nothing.

Unidentified speaker: That's right; correct.

CHAIR: Okay. There's no argument.

Senator HANSON: Tell me the average speed of the train over 24 hours, which is important. It's got to get there on time. How fast does it go?

Mr Wankmuller: The average speed obviously depends on where, but I think the average speed over the entire length is about 80 kilometres.

Mr Fullerton: You've said 80. The maximum speed for the standard train, which is the superfreighter train, is 115 kays per hour. But there is potential, if you buy special equipment, to run at a higher speed. But 115 kays per hour is the maximum speed. But, as Richard said, on a single line with crossing loops, those trains slow down for crossing and speed up. But it's an easy calculation to do. Do 24 hours over 1,700 kilometres. That will take you to the average speed.

Senator HANSON: The forestry route would cross 39 roads, whereas the preferred corridor would cross an additional 81 roads, totalling 120. So I hope you take all this into consideration, because what we've heard from

the people in Millmerran and Pittsworth is that they are not happy about where you've decided to put this track. They feel they haven't been listened to. There have been other options put forward that would not have an impact on the locals, the water or flooding. It would be safer for the train that way. We're only talking about freight trains; we're not talking about passenger trains. A detour that is just a little bit further is going to make people's lives so much better; you're not destroying their livelihoods and these communities. Would you actually take looking at these other routes into consideration?

Mr Fullerton: I think we've covered off the discussion around that before, in terms of the route history that I've given, and I think Richard has addressed that.

Senator HANSON: So it's still open for consideration?

Mr Fullerton: Yes.

CHAIR: Senator Hanson, with your indulgence, may I just move on, because we have gone over time?

Senator HANSON: Yes, that's fine.

CHAIR: Thanks very much. Senator Rennick, you have a question.

Senator RENNICK: I want to refer to figure 10 on page 26 of 58 of this submission. When I look at the map of the rail track in Queensland, what I see is a great big zigzag. Given time is of the essence here and we're looking for 24 hours as the golden marker, wouldn't it be quicker to go from Goondiwindi through to Warwick, then through to Bromelton and, say, Kagaru directly—just ignoring cost here for a minute—noting that there's already a brownfields line or an existing corridor between Goondiwindi and Warwick. Is that correct? Then I guess you'd need a new greenfields line from Warwick out to Beaudesert.

Unidentified speaker: Yes.

Senator RENNICK: In the original submission back in 2010, in the original corridor the rail route was going to go to Warwick and then up to Toowoomba. There are a couple of things. Why have you decided to take it to Gowrie? To me, taking it all the way up to Gowrie is going to do two things. It's going to take it across the Millmerran flood plains and the fertile soils of the Darling Downs there, and it means you've then got to cut back down through the Lockyer Valley. And all this is perpendicular, whereas if you go straight through you'll actually run up the Macintyre basin parallel with the water flow, so you won't get the blockages, generally speaking. So why have you decided to create a great big zigzag in Queensland, knowing that doing so will cross through two flood plains, involve tens of kilometres of culverts and would appear to add time rather than subtract time? Is it because you've been told that you've got to follow this corridor, which is the case, from what I can gather, at a glance?

Mr Fullerton: I'm interpreting from your comment that from Warwick you'd go straight down the Toowoomba range.

Senator RENNICK: Well, if it was up to me, this is the shortest route from Goondiwindi: Warwick-Beaudesertish way.

Mr Fullerton: Okay.

Senator RENNICK: That's a straight line. The proposed route is a big zigzag.

Mr Fullerton: Thank you for that. I think in that route history document that's explained in detail. Those options were looked at—the Warwick—

Senator RENNICK: I haven't read that document.

Mr Fullerton: It's on page 83 of that—

Member of the audience interjecting—

Mr Fullerton: That's correct. We get that.

Senator RENNICK: I accept that it's going to be a new rail line between Warwick and Beaudesert, which will have crossed and you'll have to buy land and things like that, but if you're honestly interested in speed, wouldn't it be quicker to go directly from Gundy to Beaudesert via Warwick and, if you want to service Toowoomba, you can have a spur line to the airport, which I estimate to be about 60 to 65 kilometres, rather than going extra distance and crossing two flood plains involving all the impacts of floods—and Susie pointed out what can happen in North Queensland—plus all the extra costs of the higher bridges? What I'm trying to work out here is—and I know it's been explained, but I want you to explain to me, quickly, as I know we're time constrained—why we're taking the longer route and what I would say is a route with a greater social impact as well.

Mr Fullerton: The document that's been handed out—and I think it's on page—

Senator RENNICK: Can you just explain it to me?

Mr Fullerton: I'd have to go back. This was originally assessed back in 2010 in the alignment study, and it was ruled out back in 2010.

Senator RENNICK: But why was it ruled out?

Mr Fullerton: I would have to go back and check. It was on cost and service.

Senator RENNICK: Can you take that on notice?

Mr Fullerton: We could take it on notice, indeed.

Senator RENNICK: Ultimately, who decides the corridor? Is it the federal government or the Queensland government? My understanding of it is that railways are a state government controlled issue and they own the railway line. You said before that the state government said you wanted to go up to Gowrie. Is that correct?

Mr Fullerton: No, no.

Mr Wankmuller: Based on the advice of 2010, the route you're talking about went from Inglewood through Warwick down into Rathdowney and then down into Beaudesert. The 2010 study recommended—for a number of reasons, and we'll get you the detail—an alternative route. After that was when the Queensland government said, 'We want you to stay in the dedicated corridors,' which were the other route that we're on today.

Senator RENNICK: So it's the Queensland government—

Mr Fullerton: Only from Gowrie to Kagaru is the Queensland government gazetted corridor that they asked the federal government to follow.

Mr Wankmuller: But once you're in Gowrie—

Senator RENNICK: But, obviously, if they want you to go from Gowrie to Kagaru, then you've got to take the railway line to Gowrie in the first place, right?

Mr Wankmuller: That's correct.

Senator RENNICK: Which means you've got to cross to Millmerran. I'm in federal government. I'm a part of the party that's in government, so I need to know whether I need to speak directly with Michael McCormack or whether it's a state government issue. Do you know what I mean? We want to solve this problem, because we're stating the bleeding obvious that we're stuffing up Millmerran and we're stuffing up the Lockyer Valley.

Mr Wankmuller: You're exactly right.

Senator RENNICK: That's beyond your control and it's beyond—

Mr Wankmuller: It's a combination of the two, to answer your question, because there's an intergovernmental agreement between the state and the Commonwealth that talks about which route we should follow. So it's a combination of the two. They've signed that agreement, and we—

Senator RENNICK: So we need to go both levels of government and get them to change their minds? I'm no expert and I'm not an engineer, but I'm looking at the map and I know a little bit about the topography of southern Queensland. Why wouldn't you just go straight through Gundy, Warwick and Beaudesert? The only question then would be: is it easier to go through Cunninghams Gap or Spicers Gap to get across that way or do you go down the range at Toowoomba? Maybe there's a good technical engineer—

Mr Fullerton: I think it is well detailed. We're happy to take you through that in that document; that is well documented in that 2010 alignment study.

Senator RENNICK: I would rather deal with the engineering issues of getting through the range than deal with the flood plain issues. As someone who is not an expert, I think that would be a much easier thing. In terms of engineering, we've put a man on the moon, so surely we can build a tunnel through Cunninghams Gap, rather than put all these people through the pain in Millmerran, Lockyer Valley and places like that.

Mr Wankmuller: We can make that information available.

Senator RENNICK: Can you come back to the committee with that?

Mr Wankmuller: Yes.

CHAIR: Senator Rennick, after what Senator McDonald and I saw in China, anything is possible. It's not hard.

Senator RENNICK: That's exactly right, so why not just fix it and solve the problem.

CHAIR: Thank you very much. I owe it to Mr Carl Seidel from Millmerran to ask these questions that I said I would ask of you. You can answer them very quickly and succinctly, Mr Fullerton. Mr Wankmuller, you've

addressed them already. Can you tell us what you are proposing to put on the train on the Inland Rail? You've already answered, but this is for Mr Carl Seidel, who asked the question yesterday.

Mr Fullerton: It's domestic freight, which is retail product, building products, steel or anything you buy in a supermarket.

CHAIR: That's fine, thank you. His second question was: will that provide a consistent volume of freight in order to make Inland Rail valid?

Mr Fullerton: Yes, I think that's well demonstrated in the assumptions in the business case.

CHAIR: Thank you very much. I did that for Mr Seidel. Thank you very much, Mr Fullerton and Mr Wankmuller and your team. Ms Pickering and Mr Eldridge, you got out of it pretty lightly, but we'll invent something to give you a grilling on back in Canberra. Thank you so much. Safe travels, and we'll see you back in Canberra. I did say to you in the break, Mr Fullerton, that we probably won't have a lot for you in Senate estimates because of the inquiry. I think that's going to be dispelled, because you would probably have, I think at this early stage, a host of questions. I'd like the committee to put those to you in advance of estimates because we will have a minister at the table. Rather than put you in a position where you need to take them on notice, you'll be able to answer them. I think that's only fair on you, it's fair on the department and it's fair on the people who are affected by this project. Safe travels. Thank you very much.

Proceedings suspended from 12:45 to 13:36

HANCOCK, Mr Richard, Project Manager, Capital Works and Asset Management, Scenic Rim Regional Council

HANSEN, Mr David, Acting Chief Executive Officer, Logan City Council

O'SHEA, Ms Tamara, Interim Administrator, Logan City Council

CHAIR: I now welcome representatives from the Logan City Council and the Scenic Rim Regional Council. Do you have any comments to make on the capacity in which you appear?

Mr Hancock: I am the project manager for the Inland Rail project for the Scenic Rim Regional Council.

CHAIR: Thank you very much. I'm going to give you the opportunity to make a brief opening statement before we go to questions. The floor is yours. Tell us what you want us to hear.

Ms O'Shea: Thank you for the opportunity to speak today on behalf of Logan City Council and the Logan community. The City of Logan takes in a large part of the Kagaru to Acacia Ridge and Bromelton portion of the Inland Rail project. The proposed alignment runs through what will become one of the most densely populated areas in Logan. The south-west of Logan includes the Queensland government Greater Flagstone Priority Development Area, which is within the Inland Rail corridor. It will become home to 120,000 people when complete.

Significant concerns have been raised by existing rural and urban communities along that route regarding increased noise, emissions and coal-dust impacts once Inland Rail is operational. Council wants an accountability commitment from the ARTC and the state and federal governments about these environmental impacts. Currently, there are no more than eight trains a day using the line between Kagaru and Acacia Ridge. With the introduction of Inland Rail, this frequency is expected to increase to—I think I heard this morning—43, not 45, trains a day by 2040. These trains could be up to 1.8 kilometres long, and about 40 per cent of each would have the capability to be double stacked.

Residents along the route in Logan are concerned about their quality of life. There are also concerns that the route was selected without consultation and that they have had limited opportunities to have a say on the project. This has heightened frustration and angst. Residents and other concerned community members have started groups in opposition to the project and have been vocal in the press and on social media. The ARTC established the Kagaru to Acacia Ridge and Bromelton Community Consultative Committee in November 2018. This was a positive step but has led to further frustration because the structure of the committee and its meetings do not give the general public a reasonable opportunity to engage and to ask questions.

Council believes that there is more that the ARTC can do to demonstrate a genuine commitment to community engagement and consultation. Council has made a number of suggestions on how this can be done, and these are outlined in our submission. In the meantime, Logan libraries made space available in October and November 2019 so that ARTC could offer drop-in face-to-face community engagement. These spaces will continue to be made available as required.

Council acknowledges the economic and nation-building rationale behind the wider Inland Rail project. It will continue to advocate on behalf of the local community for a solution that minimises noise, emissions and dust impacts on local residents now and in the future. Thank you. And with your permission, the acting CEO would also like to speak.

CHAIR: Of course. But before I do go to Mr Hansen, Ms O'Shea—and I do apologise for my ignorance—where predominantly is the Logan shire?

Ms O'Shea: The Logan City Council—

CHAIR: Logan city—south of Brisbane?

Ms O'Shea: is south of Brisbane. Do you know Redlands, which is on the coast?

CHAIR: I do now I'm looking at it!

Ms O'Shea: So it's west of Redlands, all the way out to Beaudesert.

Senator RENNICK: Is Beaudesert part of it?

Ms O'Shea: No. Beaudesert is actually part of Scenic Rim. We are actually the third-largest council in budget in Australia and the eighth-largest in population in Australia, so it's a significant council area.

Senator RENNICK: Glenn's from Western Australia. I'm from Queensland, so—

CHAIR: Yes; I apologise.

Ms O'Shea: That's all right. I don't know Western Australia that well!

CHAIR: It's our secret! That's why we've got the rabbit-proof fence: to keep the Queenslanders—I mean, the Victorians—out! It's a joke, everyone. It's all right. Get over it. Mr Hansen.

Mr Hansen: Thanks very much for the opportunity to speak on behalf of Logan City Council. The Kagaru to Acacia Ridge and Bromelton section of the Inland Rail presents a number of complex challenges for the City of Logan. As Tamara outlined, there are significant concerns in our community about how Inland Rail will impact the quality of life of those living along the proposed route in the short and long term. Our submission highlights that noise, emissions and dust are of particular concern to residents. Council has been advocating for the Kagaru to Acacia Ridge and Bromelton section to be considered a coordinated project. This would require a more rigorous process in addressing council's and the community's concerns. Kagaru to Acacia Ridge and Bromelton is the only section of the Inland Rail route in Queensland not subject to that rigorous process at the moment. If this section becomes a coordinated project, it will offer a more transparent process for the community. It will detail how residents' concerns will be addressed and how impacts will be mitigated. We believe any environmental assessment should be all-encompassing, including the impacts of carrying coal and the additional noise associated with potential passenger rail.

Inland Rail also presents opportunities for the Queensland and Australian governments to deliver critical transport infrastructure projects that support the national freight line. The Kagaru to Acacia Ridge and Bromelton section includes an intermodal hub at Bromelton in the Scenic Rim. Council supports Bromelton developing as a key employment hub, as it will accommodate medium- and large-scale industrial activities of regional, state and national importance. It will also provide jobs for Scenic Rim and Logan city residents.

Critical to Bromelton's success as an intermodal hub is its connection to the road transport network. The Mount Lindesay Highway connects Bromelton to that wider transport network, and its safety is already a major concern for road users and local residents. In recent years, council has been advocating to the Queensland and Australian governments for an end-to-end solution for the Mount Lindesay Highway to improve safety and to unlock benefits for the national freight industry. This solution is required before Inland Rail is operational. We offer evidence for this need in our submission.

Inland Rail also presents an opportunity for passenger rail to be fast-tracked through the south-west of Logan to Beaudesert in the Scenic Rim. The Kagaru to Acacia Ridge and Bromelton section will use the existing Sydney to Brisbane freight line alignment. It's the same corridor as that proposed for the Salisbury to Beaudesert passenger rail, a future rail link to service the fast-growing south-west of Logan and the Scenic Rim. Delivering both projects simultaneously offers economic and community benefits. It would minimise construction related disruption, boost efficiencies and deliver a tangible benefit to the community in the form of an affordable and efficient public transport option. Council will continue to advocate to the Queensland and Australian governments to undertake the next steps for the Salisbury to Beaudesert passenger rail so that it can be delivered at the same time as the Inland Rail. Council's priority in making a submission to this inquiry is to represent our community's interest by sharing the concerns of our residents and ensuring that other related and vital infrastructure projects are also delivered for our city. Thank you very much.

CHAIR: Thank you, Mr Hansen. Before we go on, we have media in the room. Are you all happy to be filmed?

Mr Hansen: Yes.

CHAIR: Thanks. Mr Hancock?

Mr Hancock: For context, the Scenic Rim region is south of Logan. About an hour south of Brisbane is Beaudesert, the shire town. The region primarily has agriculture, tourism and the horseracing industry. Council would like to thank the committee for the invitation to provide feedback on the management of the Inland Rail project. Two Inland Rail projects pass through the Scenic Rim—the far end of the Calvert to Kagaru project and the Kagaru to Acacia Ridge and Bromelton project. Accordingly, council holds a particular interest in the project to ensure that we maintain a balance between promoting sustainable farms, businesses and industries that are compatible with our environment and lifestyle and providing rewarding employment and prosperity for our residents.

Although council understands the jurisdictional constraints between the Queensland government and the scope of the Inland Rail project it firmly maintains that the proposed Salisbury to Beaudesert passenger rail project needs to be examined concurrently with the Inland Rail. That corridor should be designed and preserved now, and council submits that, even if both projects cannot be delivered simultaneously, it's crucial that allowances within the Inland Rail corridor for a passenger rail service are provided for and designated. Council also submits that

efforts and resources ought to be dedicated to a greenfield corridor rail project from Kagaru to the Port of Brisbane to support and grow strong export and import markets.

The Bromelton State Development Area, west of Beaudesert and the Scenic Rim, is ideally situated for a major intermodal and distribution hub. The Inland Rail project provides enhanced connectivity between Brisbane and Melbourne and intersects the present interstate rail line at the northern end of the state development area, placing Bromelton at the crossroads of the coastal and inland rail. Critical to achieving the full benefits of this project and reducing the adverse safety outcomes is the need to upgrade associated rail links, particularly between Bromelton and Browns Plains on the Mount Lindesay Highway, and alternative links such as the Woodhill to Bromelton link. The Bromelton intermodal hub will increase Mount Lindesay Highway's heavy vehicle usage, and appropriate investment into the highway's infrastructure to both the north and the south of Bromelton must be made.

While residents have generally accepted the reality that the Inland Rail project is imminent, residents are deeply concerned with the perceived lack of consideration by the ARTC to important issues raised with the ARTC and their inflexible approach to addressing or mitigating these concerns. Council and residents have strongly advocated for the use of grade-separated crossovers or bridges instead of level crossings at all Inland Rail intersections with roads. In the Scenic Rim region, of the eight intersections with roads, only four are planned to utilise bridges, while the others will be level crossings. In addition, there are crossings in the Ipswich City Council local government area that are used by Scenic Rim residents and are currently designed as level crossings. Level crossings not only increase risks associated with safety but adversely impact the productivity and efficiency of local businesses and residents. Residents are also concerned that their properties will be isolated if the crossing becomes blocked due to an incident with a train or a vehicle, as a number of these roads are the only means of access to their properties. Council believes that, in these circumstances, safe access and long-term productivity gains should outweigh any short-term increased cost implications.

In addition, council and residents remain concerned that the project will adversely impact their quality of life and that no allowances have been made to mitigate adverse impacts such as noise. Tourism and ecotourism are a major industry in the region, and the region is a popular destination for sightseeing tours, food and wine, outdoor adventure, walking, water sports, conferences and retreats. It is imperative that we preserve the character of the region and ensure that the area remains a desirable destination. Community perceptions are that the ARTC is not appropriately planning to mitigate negative impacts such as noise in residential and tourist-sensitive areas. Thank you for the opportunity to provide a submission to the inquiry.

CHAIR: Thanks, Mr Hancock. Before I go to my Queensland colleagues, who have a greater appreciation of all the names being rattled off—I'm sorry; I've been caught short there—are those additional four railway crossings on private property or on public roads?

Mr Hancock: These are existing local roads that are being severed by the Inland Rail project.

CHAIR: Right. Okay.

Mr Hancock: The level crossings will replace existing roads.

CHAIR: It's hard to accept that in 2020 we'd be doing anything to add railway crossings, bearing in mind that we should be phasing them out at every bloody opportunity, not adding more. I'm going to go to my Queensland colleagues. Senator Rennick, this is your area. It's not that I'm not interested—I'm very interested—but he's got more of an idea of the area.

Senator RENNICK: There's already a railway line—and sorry, Tamara, I lost track while you were speaking—that runs from Acacia Ridge down to Sydney. Are you saying we should use that existing line?

Ms O'Shea: From Acacia Ridge to Sydney?

Senator RENNICK: There's already an existing track that the ARTC owns that runs south to Sydney, so wouldn't it make more sense to run the proposed new line onto that railway line and up, rather than having a new corridor?

Ms O'Shea: We haven't examined any alternative routes to the ARTC's. I'm not familiar with the route that you're referring to, but the point that we're making is that there are significant impacts for our community in relation to this, so an alternative route would have an impact on somebody else, I guess.

Senator RENNICK: That's my point. There already is a railway line. You can catch a train that will take you down. I'm not exactly sure—

Ms O'Shea: Acacia Ridge to Sydney?

Mr Hancock: The north-south line. The K2ARB project is an upgrade of the existing line from Acacia Ridge to Kagaru and then to Bromelton, and that line continues to Sydney. Kagaru is the northern end of the new Inland Rail. So it's a T-junction.

Ms O'Shea: It's an enhancement project.

Senator RENNICK: I take it that it's narrow track in Queensland and that the Inland Rail is going to be wide track?

Ms O'Shea: Yes.

Senator RENNICK: But when you take a train to Sydney don't you go from narrow to wide at some point?

Ms O'Shea: Are we talking about passenger rail or freight rail here?

Senator RENNICK: Passenger rail.

Ms O'Shea: As I understand it, currently passenger rail is narrow gauge in Queensland and wide gauge in New South Wales, so you do have to change trains.

Senator RENNICK: That's my point. Wouldn't it be better to fix that line up and bring the Inland Rail onto it and use the existing track?

Ms O'Shea: I think that would be a conversation that would need to be had with the Queensland government.

Senator RENNICK: Right. Does what I'm thinking not make sense?

Member of the audience interjecting—

Ms O'Shea: You have to have a parallel line, as I understand it. And I think it's the sheer number of trains that would be running. If you had passenger rail having to share the line, I think passengers would normally get priority.

Senator RENNICK: So there are two daily trips to Sydney, and then what are we proposing? Thirty or 40 trips of inland freight? I know you can't answer this. I'm just trying to solve the problem and minimise the impact.

Ms O'Shea: From Acacia Ridge to Beaudesert is our massive growth area. There are going to be two satellite cities in that area, so that passenger rail, whilst it's only used slightly now, will actually become a commuter rail.

Senator RENNICK: It will become a commuter rail?

Ms O'Shea: Yes.

Senator RENNICK: Right. So we can't use that line.

Senator McDONALD: And that's why you were saying in your submission that the Salisbury to Beaudesert passenger rail needs to be delivered at the same time as the Inland Rail.

Ms O'Shea: The planning for it. Certainly the cumulative impact of having two sets of rail—the freight rail and the passenger rail—in the growth area has to be accounted for. I'm not too familiar with the ARTC's modelling, but at the moment that ARTC modelling doesn't take into account passenger rail as well. So the cumulative impact of passengers and freight, in terms of noise, vibration and all those things, needs to be accounted for, which is why we're advocating for this to be an environmental impact assessable leg of the project.

Senator RENNICK: Having said that, you often hear the saying, 'Build it and they will come,' but we never hear the expression, 'Build it after they come,' do we, because it's almost impossible?

I know that's a big growth area down there, but, at the same time, if we're going to be realistic about it, I see this all the time: houses are put in, development is done and the services aren't there. Then they want the services later, and the existing homeowners go, 'No, you can't put the services in because that's going to impact our lifestyle.' If we're to be responsible here, we really should put the railway lines in first and then build around the railway lines, which are an essential service—I would consider them to be an essential service—rather than plan to put the houses in there and go, 'Where are we going to put the railway line next?' Do you know what I mean? It's a bit of a chicken-and-egg thing, I realise, but, if we're going to do this properly, wouldn't we want to put the railway line in and then build around the railway line?

Ms O'Shea: Those are questions that are probably better put to the state government, who have responsibility for passenger rail in Queensland. Also, I would point out that Flagstone is a priority development area, which is also the responsibility of the state.

Senator RENNICK: Which is great, and I accept that. I just hope, when they prioritise it, they also realise that, if you want community services and everything else, something's got to happen.

Ms O'Shea: I don't think there's any dispute that there's a need for passenger rail, and it probably needs to come in sooner rather than later. The issue that we have is that we would like that to be considered concurrently

with the Inland Rail and the cumulative impacts that would occur from having two sets of rail and the impacts to those residents.

Senator McDONALD: So that's all state government approvals; it's not local government planning approvals?

Ms O'Shea: No.

Senator McDONALD: You'd be approving houses and parks and—

Ms O'Shea: In the priority development area, we don't approve the housing either. That's done by the state as well.

Senator McDONALD: How big is that area—quite significant?

Mr Hansen: It will have an ultimate population of 120,000.

Senator McDONALD: And you've got no planning approval in that space?

Mr Hansen: No.

Ms O'Shea: It's a PDA.

Senator McDONALD: That has 'disaster waiting to happen' written all over it, doesn't it, because somebody on George Street approved this!

Ms O'Shea: I will take that as a comment and I will make no comment on that.

Senator McDONALD: Wisely. That's challenging. I don't have any further questions.

Senator WATT: I apologise; I missed the beginning of your presentation as well, but I've just had a flick through your written submission, and it sounds like both councils don't have an in-principle objection to this project, but there's a real issue still about consultation with the community and mitigating some of the impacts.

Ms O'Shea: Absolutely, yes.

Senator WATT: Could you each tell us a little bit more about your experience of consultation with the ARTC to date?

Ms O'Shea: I'm happy to put forward an analogy that was given to me by a resident. With the consultation with the consultative committee, they said they felt like they were sitting looking into a fishbowl. Basically the consultation is occurring inside that fishbowl, and they've got their face plastered on the fishbowl and they're trying to make a comment and they can't. That's largely because it's a very structured process and there's no opportunity for a genuine town hall type of engagement process. We have fed that back to ARTC and encouraged them to change their consulting process so that it is more engaging and able to be more real time, but unfortunately the feedback we've received from stakeholders is that that's not happening.

Senator WATT: Do either of you want to add to any of that?

Mr Hansen: I think there's a misunderstanding from the community on what their level of influence is into this discussion now. I think even today we've heard some different narratives around: Under what circumstances would the route potentially be altered? Could it be altered? Is that up for discussion or is it actually locked in and are we dealing now to mitigate impacts of noise and bring on some of that catalytic infrastructure? I'm not sure that the context of the engagement has been set, and that's probably a historic issue that will continue to be an issue for the community.

Ms O'Shea: I think honesty is probably what the community is after. If the route is set and there is no alternative route, I think honesty around that would be good.

Mr Hancock: I'd agree with David: I think there's some confusion about what's fixed and what's not. Certainly the local road realignments that were developed for the purpose of the EIS appeared on the ARTC website to be fixed and never to change, when they weren't approved by council. They are not final. They are very early stage feasibility study designs that we're not happy with and that won't be built. More explanation of how the process goes, what's fixed now and what's not and what could happen in the future, I think, would be useful.

Senator WATT: The only other thing I want to ask is still on the consultation. Earlier the ARTC—and I don't know if you were here when they gave evidence—accepted that there had been problems around consultation in the past, but said that they had made a real effort to improve that. Have you seen signs of that? Do you think there's still a fair way to go?

Ms O'Shea: I haven't had any recent interaction with stakeholders in that regard, but I think it's the honesty bit—knowing what the parameters of the consultation are; to pick up on my colleagues' points, knowing what is actually able to be consulted on and what is actually just fixed and that they're just telling me. I think that's

probably the key issue now going forward. Stakeholders later on this afternoon could probably better speak to that particular issue.

Mr Hancock: I think there have been more people on the ground than 12 months ago.

Senator WATT: That's a start. Thanks. That's it for me.

Senator McDONALD: I just want to follow up on that. The ARTC is consulting on the Inland Rail route. The council doesn't have any input and the state government is providing approvals for what development and housing can go ahead within the Flagstone development area. How's that process working? Are you seeing the coordinator-general or the state government out consulting on how that's going to interact?

Mr Hansen: No, I think that they're two different things. The planning authority of the state government as it relates to Flagstone is its own entity and its own workstream. Logan's position is a coordinated project so that there is the same ability for the community to contribute to a formalised terms-of-reference process as opposed to what the ARTC have suggested—if that doesn't happen, they will still run an EIS process to terms of reference. I think for this section through Logan there needs to be consistency with the way the Inland Rail project has been approached in other parts of Queensland. That would be our position. That drives that sense of consolidated assessment with the state participating and leading.

Senator McDONALD: I'm sorry if I misunderstood. So Inland Rail is going through the Flagstone development area.

Mr Hansen: Absolutely, through an existing freight corridor.

Senator McDONALD: It is, right. So you're quite right, both levels of government need to be talking to the community as one.

CHAIR: If there are no further questions, I thank you very much, Mr Hancock, Mr Hansen and Ms O'Shea.

Ms O'Shea: With your indulgence, I'd like to make one more comment. Is that all right?

CHAIR: Of course you can.

Ms O'Shea: It's largely around the ancillary infrastructure, largely around the Mount Lindesay Highway. Two nodes are being contemplated as part of this: Bromelton and Acacia Ridge. This is meant to be a nation-building project. It's meant to end up with hubs that allow freight, if it's domestic freight, as indicated by the ARTC today, to get off that train and go somewhere. At the moment it's going into an absolute roadblock. That road is already heavily used. There needs to be an end-to-end solution. That is what we are strongly advocating. I know this is potentially outside the realm of the ARTC in particular. You'll end up with an awesome Inland Rail, hopefully, that deals with all of the issues and nowhere for the freight to go. We would like consideration given to upgrading the Mount Lindesay Highway so it's a national road and gets recognised as such.

Senator McDONALD: It's a state road currently?

Ms O'Shea: It's a state road currently, but because it does have that unique connection to a federal nation-building project we believe it should be upgraded to a federal road.

Senator McDONALD: Join the queue of people who want to upgrade their roads to federal roads!

Ms O'Shea: I know, but the federal government is spending billions of dollars on this facility to reduce the impact on roads in other areas, so I put it that that money be spent on the Mount Lindesay Highway.

Mr Hancock: The missing link there is only 50 kilometres long. It's only from Bromelton to Browns Plains, and then you're onto the Logan Motorway, which has links to the Gateway Motorway and the Pacific Motorway, which service the whole of Brisbane and South-East Queensland.

Senator McDONALD: Just on that, who is going to be responsible for the planning of that Bromelton to Browns Plains area? There are a lot of dairy farms through there. I've just spent a lot of time around there. There is already land banking by Chinese companies. All sorts of businesses are land banking in preparation for the intermodal hub. Who is going to take care of the planning that doesn't push all the dairy farmers out of there?

Ms O'Shea: If it's outside the PDA, it is council.

Mr Hancock: From a land use point of view.

Senator McDONALD: Is that a priority for the council—to maintain a green—

Ms O'Shea: I don't know that we have that many dairy farms.

Mr Hansen: The South East Queensland Regional Plan doesn't extend the growth boundary quite that far. Flagstone represents an isolated pocket of state mandated growth. There would have to be some changes at the state regional planning level to facilitate growth in some of those areas.

Senator McDONALD: Or not facilitate it.

Mr Hansen: Or not facilitate it.

Senator McDONALD: That's interesting, because in Victoria Melbourne is doing this with the greenbelt to ensure that local produce and farmers are not pushed out. It would be interesting to see if Logan City Council and Scenic Rim have the same approach.

Mr Hancock: Scenic Rim have just finished consultation on their draft planning scheme, which would capture all that. I'm not a planning expert, but the planning scheme would have those—that's where those requirements would be captured.

Senator McDONALD: I'll look forward to reading that and making sure that there is a priority for our farmers not to be pushed out to less productive land further away.

CHAIR: Ms O'Shea, you make a very good point. One would think that if we're going to do something like this we should make sure that A and B join together all the way. Otherwise you may as well just build one bridge in the middle and say you've done the same job. I agree.

Ms O'Shea: The savings that you're making on those other roads, pitch it into Mount Lindesay and that would be awesome.

CHAIR: We understand. Thank you very much.

BRADY, Mr Michael, General Manager Infrastructure Services Group, Toowoomba Regional Council

CHURCH, Mr Ian, Chief Executive Officer, Lockyer Valley Regional Council

HART, Mr Stephen, Coordinator Council Business, Lockyer Valley Regional Council

MINGAY, Ms Joy, President, Toowoomba Chamber of Commerce

O'SHEA, Councillor James, Portfolio Leader Infrastructure, Toowoomba Regional Council

SLEEMAN, Mr Craig, Principal Project Manager, Toowoomba Regional Council

SMITH, Mr Scott, Chief Executive Officer, Council of Mayors South East Queensland

Evidence from Ms Mingay was taken via teleconference—

[14:08]

CHAIR: I welcome representatives of Toowoomba Regional Council, Toowoomba Chamber of Commerce, Lockyer Valley Regional Council and the Council of Mayors South East Queensland. Would you like to make an opening statement?

Mr Smith: Thank you very much. The Council of Mayors South East Queensland is an organisation that represents the 10 councils of south-east Queensland, from Logan up to the Sunshine Coast and out to Toowoomba. In our submission we have obviously put forward that we first and foremost support the positions of our member councils, but we have put in here a couple of other aspects that I believe are in support of our councils' positions. I'm happy to answer any questions about that.

Ms Mingay: When I made this submission to the inquiry I was the president of the Toowoomba Chamber of Commerce, a post I have held for the last five years. I have been on the board for 10 years. I just wanted to raise the concerns of our members and business in general around the Inland Rail project.

CHAIR: Thank you, Ms Mingay. Let's go to opening statements. Ms Mingay, while we've got you on the phone, give us your opening statement, and then I'll go to Mr Smith and work my way through.

Ms Mingay: Did you want me to read my submission or just highlight it? I know you're short on time.

CHAIR: Why don't you tell us, and the world, what you need us to know. If you could give us a condensed version, that's great, but it's entirely up to you.

Ms Mingay: From a chamber perspective, when we wrote this, at that point the Queensland government had still not signed off, and the delay in commencement was causing a great deal of angst and hardship for our members and for business in general. We also felt keenly for people that lived along the proposed alignment, with the lack of progress, because I feel they're living in limbo. I've been a member of the ARTC advisory group, and I'm very concerned about the toll it's taken on farmers and landowners in our region; they're waiting for the other shoe to drop.

The other point that I wanted to make—and it's part of my submission—is a lesson we learned from the Second Range Crossing, which is that every effort needs to be made to ensure that local suppliers, both big and small, are considered for tenders all the way along the alignment. These types of tenders make a difference to small business. If you remember that 97 per cent of business in Toowoomba is small business—and now with the completion of the Second Range Crossing, we have skills and manpower—that really makes a difference. So I just wanted to ensure that ARTC and the winning contractors take the lessons learned.

CHAIR: Thank you, Ms Mingay.

Mr Smith: As I said, representing councillor mayors, and notwithstanding the submissions from our member councils, we've taken a particular focus in this submission around futureproofing of the corridor and the capacity that's delivered through Inland Rail. This centres mainly around passenger rail for that corridor—something that we've undertaken a great deal of work on through a regional approach to people mass movement, in line with our work on the potential for an SEQ Olympics.

That corridor is a primary corridor for us in terms of growth and opportunity, and our belief is that when we put a piece of infrastructure such as Inland Rail through there and a tunnel through the range—which we know is challenging—that should take consideration of future capacity needs and make sure that we don't shut ourselves off from delivering infrastructure that we think is vital to that region now and into the future and is relevant to the growth of that region.

Subsequent to that, while putting in futureproofing infrastructure, there's an ability to look at the capacity for putting a water connection through there to get water from the grid up into the region from Toowoomba and

beyond, which we're currently facing challenges with, as you'd be aware. Primarily, that's our focus, and that's why we're keen to make sure that, whatever happens there—whether it's capacity built now or capacity allowed for in the future—we want to see that provision made.

CHAIR: Thank you, Mr Smith. As a senator for the other third of Australia, which is not this bit, how many mayors of South-East Queensland do you represent?

Mr Smith: Ten.

CHAIR: That's significant.

Mr Smith: One in seven Australians—70 per cent of Queensland.

CHAIR: That is a huge population. Thank you.

Mr Hart: Thank you for the opportunity to discuss our concerns and to highlight some of the matters we raised in our submission. Firstly, the council's submission clearly recognises the national benefits that Inland Rail can potentially bring. A key thrust of our submission, you will have noted, is that we believe the real costs associated with Inland Rail are not necessarily being borne by the nation but are being borne by the communities along the alignment—communities such as our own Helidon, Gatton, Forest Hill and Laidley. The costs are clear and substantial. As outlined in the submission, these include severance, loss of access, flood impacts and amenity. As senators are aware, ARTC are talking about double-stacked container trains of up to 1.8 or even 3.6 kilometres long with three diesel locomotives that will run day and night, 24/7—up to 50 times or more in that period. Clearly our communities will be impacted by noise, vibration, light, dust, smell and visual amenity. There will be environmental impacts, loss of good-quality agricultural land, and economic loss across the region. So, the costs are clear and substantial.

On the benefits side of the equation, we believe that there will be benefits to the nation, but we are finding it harder to realise the local or regional benefits for our part of the world. We are hopeful that council will be able to access the prioritised funding under the Inland Rail Interface Improvement Program. That should help us identify potential benefits that might accrue to our region and go some way to mitigating the significant costs outlined.

I'd also like to touch on the route alignment question. A key aspect for the Lockyer Valley is that it is a freight railway that has been placed on what was originally envisaged as a passenger railway alignment. The alignment goes through the town of Helidon, through the heart of Gatton and Forest Hill and through the perimeter of Laidley. That was designed in anticipation of passenger rail, which we'd like to see ultimately on the alignment. At the moment there's no passenger transport in sight, but we've got extensive freight that's going along that current alignment.

There's been limited consideration of alternative alignments around Gatton and Forest Hill—very limited consultation on those alternatives—and the multi-criteria analysis was undertaken with very limited input from the community. On the present alignment, council questions whether any mitigation measures can deal with such invasive impacts in those communities. As senators heard yesterday and this morning, flooding's a real issue across the downs as well as the Lockyer Valley. Senators would be aware of the extensive flooding that hit the Lockyer Valley in 2011 and 2013. There was significant loss of life in the Lockyer Valley. So, you'll understand the sensitivities that still arise around flooding in those areas.

ARTC have done some flood modelling on the reference design. They've assured us that further modelling work will be done during detailed design, but our concern is that at that point the detailed design is going to be done by the project company under a PPP arrangement. We are fearful that we will not have sufficient input into that flood modelling work at that time. At that time commercial pressures will be brought to bear on that company to proceed as fast as possible, and we would like the Senate to assist us in reaching some assurance that local government will look at that flood modelling.

The last point I want to raise in this opening statement is that we believe that Inland Rail is probably the biggest infrastructure project ever to come through the Lockyer Valley, arguably, since possibly the original railway line first went through there. To put it in perspective: senators will probably be familiar with the new viaduct in the Toowoomba Second Range Crossing. That's an enormous bridge structure just this side of the range. Just in the Gowrie to Helidon section there are going to be six structures of that size, in that section of the railway. That has enormous construction impacts for a small community that's already suffered under the impacts of the second range crossing construction.

We believe, given that it is a fundamental, once in more than a generation project, that consideration should be given to a fund that would compensate those communities divvying up the costs of this project. As we put in our submission and as we've raised at the Australian Local Government Association meeting—and it was passed as a motion at that meeting—it's big enough to justify a fund that might go some way to compensating those

communities that will be so heavily impacted by the project. Thank you for your time and the opportunity to present here.

CHAIR: Thank you, Mr Hart. When we get back to questions I'd like to come back and ask if there have been any figures done around this compensation. I'm one of those with the view that I'd rather not have compensation; I'd rather leave it as it is. But, bear in mind, reality and wishes are two different things. I will come back and ask you.

Mr Hart: Certainly.

CHAIR: If I forget, can you just give me the secret nod? Thanks. Mr Church?

Mr Church: Thanks for the opportunity, Senators. I certainly support the statement read by Mr Hart. I can only add value, I think, by summarising. The freight trains that are going to come through an existing alignment pretty much through our region are not really going to add any value to our region in any way. What will happen is that new problems will be created and existing problems will be exacerbated. New problems will be created around connectivity in our towns—closing of rail crossings and severance of our towns, as it goes straight through the middle. Severance will be created by the fact that the trains are going to be so frequent and so long; that's much more severance than we've had in the past. There are problems around the amenity—we've talked about noise, vibration, dust, dirt, smell, et cetera. Of course, from our perspective, the value that the project will add really doesn't exist because it will be going straight through the region and not stopping. There's no intermodal hub or anything of that nature that we can benefit from. Council recognises this and has worked really hard with ARTC, whose officers have been good, from our perspective, to try and mitigate those risks as best we possibly can. Mitigating those risks might be that when a level crossing's going to be closed, severing our town, how do we get around that? How do we find other ways of connecting?

Accepting the fact that it is a project of national significance, council has recognised that we do need to mitigate those adverse impacts. It has also come up with some principles that we're trying to adhere by in our discussions with ARTC. We don't want any loss of connectivity. As Mr Hart said, it goes straight through the middle of three of our towns. Also we don't want to exacerbate the flooding impacts. We're still going through the motions and consequences of two flood commissions of inquiry from the 2011 and 2013 floods. We're still dealing with levy banks created by this particular rail line that were said to have exacerbated flooding in some areas. So we really want to make sure that those issues are dealt with thoroughly and properly. Council is also saying it's certainly important to mitigate the amenity impacts that we've talked about. Our region is very much a horticultural and agricultural producing area, so limited loss of agricultural land is very important to council. As many people have said, we want promotion of integrated transport planning for the region. ARTC are dealing with the freight line, but for the future benefit of the entire region, passenger rail has to be considered, and it has to be future-proofed in order to allow passenger rail. I think that's all I'd like to add.

CHAIR: Thank you, Mr Church. Mr Brady, fire away.

Mr Brady: Thank you, Senators, for the opportunity to speak on behalf of council today. Most of you probably know where Toowoomba is; we're about an hour and a half west of Brisbane. It's the crossroads of three major national highways: the Gore, the New England and the Warrego highways. Sixty per cent of the produce that goes through the port of Brisbane comes through Toowoomba. Obviously the Toowoomba region is positioning itself as a major inland port with major intermodal opportunities. We have the Toowoomba Trade Gateway, a 2,000-hectare development that's happening on the western side of the city as we speak.

I'd just like to highlight a number of points from our submission, if I could. Obviously the Inland Rail Project is a nationally significant transformational project that will deliver great benefits to the nation, the state and various regions through which it travels. Though we strongly support the project, we also recognise adverse impacts on our local communities, and specifically the landowners directly impacted by the current rail alignment. I concur with a lot of the comments made by many here. The intergovernmental agreement was causing many issues—as Ms Mingay mentioned earlier—and the state has been quite conspicuous by its absence in this whole project to date. We hope that the state will very much come on board now and get very involved not only with the project but with its communities and its local governments. That's an important thing that really needs to happen going forward.

We also believe there are many opportunities that can be leveraged from the Inland Rail project. I present to you the handout that we handed out, the Toowoomba Region Inland Rail Brief 2019. That leveraging offered by a national project like this needs to be supported at both federal and state levels. We look forward to recommendations that might see investment and support to those initiatives.

We've got two major sections of the Inland Rail project going through our region. Approximately a third of the cost of the project is actually going to be spent within our region. In what we might call the western section, the border to Gowrie section, obviously there are major flooding concerns—in particular, the Condamine River flood plain—and we're working through those. It is not dissimilar to Lockyer. Toowoomba was at the heart of many of the issues around the 2011 floods. A lot of that was in our western areas. We're also very concerned on behalf of our communities in regard to noise, vibration and lighting impacts and other environmental impacts, such as potential impacts on groundwater and those sorts of issues.

The Gowrie to Helidon section, which for us is basically the western portal and the tunnel, goes through the western side of the city, Gowrie Junction, which is a major growth area of the city. Again, what is concerning here is that the design horizon adopted by the project is only 10 years on impacted infrastructure. That means that they only need to consider, in the project, the next 10 years of development. A project like this is going to have an impact, we hope, for the next 100 years. The last rail line built through Toowoomba was over 150 years ago. We've got a lot of road development, network development, major utility development and stuff like that that is going to be happening in that area, particularly in the western portal area. We're getting told that they can only consider that up to what may happen in the next 10 years, not beyond that point. That is very concerning. That's a major point I'd like to take forward here.

In regard to connections to other freight and connections into all existing rail networks, both those that are live and those that are currently dead, they need to be strongly encouraged so as to enable others to leverage opportunities into the future.

With respect to the alignment, the alignment has been determined by the federal government ultimately, and that was discussed with ARTC in detail this morning.

Senator RENNICK: That's not the state government?

Mr Brady: No. The alignment by the federal government.

Senator RENNICK: I thought they said it was the state government.

Mr Brady: They obviously had conversations with the state government.

Senator RENNICK: And the state government wanted it to go up through Gowrie. That's what I was told this morning.

Mr Brady: Where the alignment has gone at the end of the day, from the border to Toowoomba—we've had very minimal influence on any of the alignment, as a council. Yes, we've been in discussions and we've had discussions with Inland Rail, or ARTC, for probably the last five years, and they've grown in detail, obviously, in recent years. But the key thing there is that we feel that some of the council's key concerns and feedback on behalf of our community must be more clearly investigated and responded to—again, not dissimilar to many of the comments here today.

I've mentioned the collaboration between governments. It's critical on projects like this. Just as an example, at Brookstead, where the Gore Highway goes through, the Gore Highway has got to go up and over the line or be relocated. It's only a small village. The noise issues, the lighting impacts and the vibration impacts are going to be significant and they're going to be significant for other communities through there as well. That collaboration hasn't been allowed to date, particularly with what's been available from the state. Going forward, it's so critical that the three levels of government work closely together if there is any chance of mitigating some of those impacts more fully. We also support more broadly the eventual connection of Acacia Ridge to the port of Brisbane. Again, from a council perspective, we've had very close connections through to the port of Brisbane for many years and see that as a national project of high priority as well.

Finally, I'd just like to acknowledge the scale and complexity of this project and the challenges that ARTC have in facing the delivery of this critical infrastructure. Our council remains very supportive of the project and the benefits it will bring to our region. However, we also acknowledge the adverse impacts on many of the members of our community and request and expect that our community will continue to be prioritised in the delivery of this project.

CHAIR: Thank you, Mr Brady. Mr Sleeman.

Mr Sleeman: I probably have nothing much further to add to Mr Brady's opening statement. From council's perspective, the summary and takeaway is that although we are supportive of the project we do wish to highlight that we do acknowledge that there are adverse impacts on our community and we wish to see our community prioritised moving forward.

CHAIR: I don't think that's unfair. Councillor O'Shea, you're an elected official; you're not going to get out of it that easily! Do you want to make an opening statement?

Councillor O'Shea: Thank you, Chair. Thank you, Senators. I merely endorse the words of Mr Brady and Mr Sleeman. I'll make an obvious statement here: local government's about people. It's about communities, and that's one aspect that I think we're very, very concerned about. When you go out and see people and you hear the way they speak to you and the stories they tell you, you hear the effects that it has had on them and their families, both with mental health and physical health—whatever it may be—given the uncertainty that surrounds this project. We as Toowoomba Regional Council obviously understand the benefits that come with a project such as this. However, we also very, very much understand the adverse impacts that will occur and potentially can occur. So what we are very much advocating for is the minimising of those adverse impacts. That comes down to communities. It's talking about people, talking about noise, talking about vibration—all of those things that affect people. We feel that that's something that most certainly needs to be addressed. That message has been delivered to us—personally to me and to others around our table, very much so—and I'm sure the same has been delivered to you, to understand what this project is doing to people. So I think that's one of the key aspects. Minimise the adverse impacts. We want to see the benefits that can be achieved from a project of this nature maximised.

CHAIR: Thanks, Councillor O'Shea. Is Millmerran in your shire?

Unidentified speaker: Yes.

CHAIR: Was anyone there from the council yesterday?

Mr Brady: We had an observer there yesterday to take notes, so we're aware of a lot of what was said yesterday.

CHAIR: Is that the only area of your council where it's white hot, or are there other areas? There are others?

Mr Sleeman: Yes. There are many of our local communities that are impacted.

CHAIR: Okay. No worries. Mr Smith is going to run away soon, through no fault of his own, so are there any senators who wish to ask questions of Mr Smith, representing the mayors of 10 south-east councils?

Senator McDONALD: Mr Smith, representing 10 councils—keeping everyone on the same page—is a challenge in itself, isn't it?

Mr Smith: It's a great pleasure.

Senator McDONALD: I'm assured that everybody is in furious agreement on this. In summary, you understand that the Inland Rail project is going ahead. I assume that there will be benefits for some councils, if not all of them, in your group. Is there more work to be done by federal and state governments, working with local councils, to improve the engagement with your communities? Is greater coordination something that we can be advocating for? ARTC is carrying the can mostly at the moment.

Mr Smith: Absolutely. You've heard from two of our councils, and Logan before, and I think it would be pretty consistent across our region that more engagement would never be a problem. There's obviously some sensitive balancing here across our council areas with the economic value and the impact on communities, and that needs to be consulted on. You can never have too much of that consultation. I think the three tiers of government need to work together. As was mentioned, the intergovernmental agreement has finally arrived, but that's not the end of it. We're actively working on a city deal for this region. Inland Rail and everything that comes with it, and all those other bits and pieces, should be a key consideration, and we've incorporated that in our work on the city deal. But that shouldn't be at the expense of all the other challenges we have here. So, again, I would encourage more consultation where possible and to try to balance this.

I think there is an acknowledgement, and you've heard it today, that there's a great economic value to the region, notwithstanding that some parts of our region get less of that as individual areas. For the region and the nation, we recognise that value, but it shouldn't come without consideration of those impacts and trying to manage those as best we can.

Senator McDONALD: When you touched on the growth that you're having across these 10 council regions, you would have heard me ask the Logan and Scenic Rim councils about what future planning they're doing to allow for agricultural spaces to remain. I know it's a constant tension for councils—

Mr Smith: It is.

Senator McDONALD: with developments and greater rate space, as opposed to agricultural spaces and so forth. Is there an overarching strategy within the group?

Mr Smith: Not within the group but within the state planning framework that we have with the regional plan, a very clear priority has been set around good quality agricultural land being protected. You're correct: it's been an ongoing challenge and tension as to how to balance growth areas with good quality agricultural land. Without getting into a planning conversation, some areas see that as a future opportunity for their retirement plans. But that's an ongoing challenge for regional planning, and councils are part of that regional planning approach, so that's something that we're constantly battling with but something that we recognise and are taking very seriously in our work on both the regional plan and the city deal, to make sure that those growth areas are appropriate and are serviced by the right infrastructure to make that growth sustainable.

Senator ROBERTS: Thank you all for attending today. Mr Smith, can you tell us a bit more about the passenger rail in particular. I'd love to know the impacts that you see on the potential future need for a passenger train, because there'd be a network there, wouldn't there, feeding onto a line from Brisbane to Toowoomba?

Mr Smith: One of our priorities in this region is to have better regional connectivity, and the western corridor is no different—albeit that the growth numbers are different to those for the northern-southern corridor. We still see this as a great opportunity, and passenger rail out to that area is a high priority for us. Again, we acknowledge and understand that, as to the Inland Rail corridor, as opposed to the Inland Rail line, the line needs to prioritise freight movement—that's what it's put there for—but the corridor should accommodate and allow for passenger rail to come in, if and when we get that there.

For us, the future-proofing issue is the important one. There's no point putting tunnels through and finding out in 10 years time that we should have done them a bit bigger or allowed ventilation to allow passenger trains through. Our region—and we acknowledge this in our work on the city deal—by 2041 will be what the Sydney region is today. There we already see the passenger transport out to the Blue Mountains. Similarly, as to Toowoomba, it would be foolish of all of us to think of this region and not consider that, because the Blue Mountains is now a part of Sydney and has strong transport links—though I dare say they have come at great expense to the state government there, to put through existing corridors. We have an opportunity here to future-proof our region, because we know those numbers are pretty accurate. Again, we're looking at what Sydney is today and knowing that we're going to be that. We should put those provisions in now.

Senator ROBERTS: Given the Toowoomba council's comments about the state government's lack of involvement or lack of interest, this would only be possible if you had solid input from the state government—

Mr Smith: Absolutely.

Senator ROBERTS: and all the local councils that are affected, because I'm guessing your concern is not just the provision of facilities but that if they're not considered then it might actually prevent any future alignment for passenger trains.

Mr Smith: Absolutely, and I acknowledge that the state government currently are responsible for passenger rail in our region and our state, so they're definitely a key part of this, and I am pleased to say that they have moved ahead. The intergovernmental agreement has been signed. The state government has always been an active participant in our city deals work. That's not to say that we've resolved three tiers of government working together and aligning their priorities, but we're on the right journey. So they're at the table, but, you're dead right, they need to be part of that. Currently they are, but, with a project such as Inland Rail being primarily driven by ARTC with the funding from the federal government, it's important they get that in their priorities as well, because there's no point in Queensland Transport putting that down as a future thing if they have no influence over the tunnel that goes through the range. We need to make sure that these things happen. I understand the corridor has enough width but I'm sure there are parts in some of our communities where that will be a challenge. It is important that now we consider how we manage that rather than having to come back later and reimpact communities that have already been impacted. If we're going to consider this, we should consider all of it at once.

Senator ROBERTS: It's a big concern that, in trying to minimise the impacts of flooding from Inland Rail, from ARTC's rail, if they have precluded any way of doing the same for the passenger rail then it would knock it out.

Mr Smith: That's right. Again we should consider of all of these. I know this is a priority. Getting Inland Rail delivered has been on the table for a long time. I think there's a great rush, given that everyone is lined up and wants to do it. I think, as you've heard today, we need consultation and to make sure we do the right planning and take care of the future. It would again be remiss of all of us if in 10 years we looked back and saw that we missed that opportunity.

Senator ROBERTS: Especially in 100.

Mr Smith: Yes, exactly.

Senator ROBERTS: Has anyone done any thinking about how many agencies are involved here? I ask that question because the Murray-Darling Basin Plan has been a real nightmare for people of the Balonne Shire Council in St George. They told us that they were really sick and tired of not being able to get together people from different agencies. They now have five governments—state, territory and federal—and agencies from various governments. To have a simple meeting that was productive they had to get 13 agencies in the room together in St George.

CHAIR: Of all the people, Senator Roberts, who I thought would find something even harder than what we're dealing with now! Congratulations. I expect that from the Greens, not from you. But anyway.

Senator ROBERTS: I'm saying it for two reasons: first of all, think you're lucky because there are fewer governments involved and, secondly, that interconnection is going to be important.

Mr Smith: Absolutely.

Mr Brady: We run an informal group of councils along the whole alignment from Moree to Ipswich and the Toowoomba region. We've been meeting every couple of months for the last year or so. That allows us as local governments to discuss many common issues and to work out strategies, initiatives and ways of working through on the project. We've taken some very proactive steps there. We'll continue to do that. With the signing of the intergovernmental agreement we've now been able to invite TMR to the table. They're going to attend for the first time in February. We'll be able to start to engage with them. No council has been able to engage with the state in any shape or form in real terms until now. I will give you one example. We ran an Inland Rail conference in Toowoomba in August. There was one state representative out of 400 people who attended the national Inland Rail Conference.

Senator ROBERTS: So it was disappointing for you?

Mr Brady: Especially when we're trying to have that engagement. We are looking forward now to what could be something very positive going forward.

Senator ROBERTS: So the Toowoomba council invited the other councils, even down into New South Wales, to get together?

Mr Brady: Yes. Our council, along with others right along the route, has been part of the Melbourne to Brisbane Inland Rail Alliance for the last seven or eight years. We've been promoters of the project as a whole. That said, obviously impacts and that need to be very well addressed through that.

Senator ROBERTS: That's wonderful to hear. It's very reassuring because the Balonne Shire Council said that, once they took the initiative and pulled all those 13 agencies together, they found it much easier for progress.

Mr Brady: Yes, and we're finding that. On many issues that we discuss it does get the commonality happening and that engagement happening.

Senator ROBERTS: It also gives you tips on how to deal with things.

Mr Brady: We learnt a lot from the Toowoomba Second Range Crossing project. Hopefully, we learnt a few lessons and actually take them forward.

Mr Hart: I'd just like to confirm what Michael was saying, that Lockyer Valley is working with Toowoomba and those councils as well, on Toowoomba's initiative. We are very supportive of it. I think it has been a very useful thing to assist us in reaching a sensible point of view across the local governments, similar to Scott's role in the COMSEQ. It's not just through City Deals and other things, but it combines and gives a united voice to advocate for or against certain things. I appreciate Toowoomba's lead on that.

CHAIR: Ms Mingay, I am really keen to hear more from you and your membership. You did touch on the farmers. We would be pretty well aware of soil erosion and flooding and other things and losing valuable cropping land. Generally in the business community around Toowoomba, what other fears are there about the Inland Rail in its current shape and form, as it is now?

Ms Mingay: I think the hardest thing has been the uncertainty. It has been dragging on for so long for our community. This community is struggling. We've had the drought. It has really impacted on business in this town. I'd like to acknowledge the work of Toowoomba Regional Council. They have certainly taken the lead and we have a great working relationship with them. But our members are doing it tough. Now the Second Range Crossing has come to an end. Those contractors are now having to look elsewhere for other work, and we are losing that expertise and skills. I think they were very dependent on our rural and regional areas. We want a balanced scorecard. We absolutely support the project and hope it goes ahead in every way. But I think it can't be done at the expense of others. It can't be progressed at any cost. I don't think any of my members would want that. Sure, we want the project, and I think the comments made earlier about getting it right the first time are absolutely

spot-on. Let's not go back and have to revisit it in 10 years. Let's get it right the first time round. While I would love to see it happen tomorrow, I'd rather it were a balanced development. We really do need to listen to the concerns of people in the regional areas. They have every right to be concerned. Possibly the most damaging thing has been the lack of information and the lack of surety, with the state dragging the chain. I think that is impacting on business. Everyone is sitting on their hands waiting to see what is going to be the next thing.

CHAIR: Thank you. This is not going to win many friends, but I think it has to be said: that Toowoomba Range crossing that I went over yesterday, I've got to tell you that whoever designed it really slipped up. What a nightmare road for B-doubles or A-doubles or road trains on it, because if a truck breaks down on that climb—I hope to God my words don't come true—I can see a natural disaster coming here. Some poor bugger's going to run right up the backside of a B-double, because there is nowhere for them to pull off. I just had to say that. I just think, what a crappy piece of infrastructure that has turned out to be, from a trucking point of view. There go the keys to the city of Toowoomba!

Senator ROBERTS: Mr Brady has just assured me that you won't lose the keys to the city of Toowoomba!

Mr Brady: That was a federal-state initiative.

Ms Mingay: Thank you, Mike. I was going to sit it squarely at the feet of the DMR. That was where I was going.

CHAIR: As a pollicie, I wouldn't be proud to stand there cutting a ribbon on that.

Mr Hart: With your indulgence, Chair, I wouldn't mind commenting on the issue of the Second Range Crossing. With the Inland Rail, the gradient for the Inland Rail is something like one in 64, which is really testing it, I understand, although I'm not a rail engineer. I understand it is really testing the boundaries of gradient with respect to railways. That is incredibly steep for a railway. The Lockyer Valley resides at the bottom of the hill, and community members are concerned about a runaway train. This has occurred over the last couple of years, once in Tasmania and once in Western Australia. For argument's sake, what if there were a runaway train on a steep gradient like that? And there is the community of Helidon there, which just happens to have the explosives precinct in it as well. That might be a perfect storm.

CHAIR: Sure. Have you raised that with ARTC?

Mr Hart: We have.

CHAIR: What was their response?

Mr Hart: They are constrained by the geography to some extent. Their alignment hugs the hills as far as they can but they run out of hills on the way down. That's why they've got six big structures and they are using their best endeavours to combat that gradient issue.

CHAIR: Okay. That wasn't the question I was going to ask you, was it?

Mr Hart: No. I believe the question you were asking me was one of economics, about the fund. I don't claim to be an economist, but stretching back to my university days I remember that a fundamental driver for projects is that the benefits must outweigh the costs.

Unidentified speaker: Yes.

Mr Hart: I think it's the Kaldor-Hicks and Pareto principles and all that sort of stuff which says that, theoretically, for a project to proceed the benefits must outweigh the costs. But it is only a theoretical compensation. So what I'm arguing—

CHAIR: Compensation. Yes.

Mr Hart: What we put before the Australian Local Government Association is that, rather than just being theoretical compensation, it should be genuine compensation. For communities like ours, which really suffer from projects like this, if there are the net benefits that ARTC assure us there are, surely some proportion of those net benefits can be used to compensate communities like ours that are going to suffer under this. I don't understand the details of how such a fund might operate, but the principle is there and I believe it would be great for your Senate to support the establishment of such a fund to compensate communities such as ours.

CHAIR: Yes. That is what piqued my interest earlier on, because Senator Hanson was asking questions of ARTC in terms of compensation and that sort of stuff. They came up with the figure of \$494 million, I believe. But that is only through land acquisition as they're moving now, and there is absolutely nothing on the table for anything afterwards. What you're saying is very important. But I was looking at what if there is that one-in-100-years or one-in-50-years flood and we wipe out an egg factory that employs 350 people and all that sort of stuff.

Mr Hart: As an example, Senator, as the corridor goes through near Laidley it is up on an embankment, so it is difficult for the people whose land is directly acquired there.

CHAIR: To access—

Mr Hart: Adjoining landholders will be looking up at an embankment 12 metres high with a double-stacked container train running through there 50 times a day.

CHAIR: Let alone wanting to get to the other side.

Mr Hart: This is a residential development that has only been established in the last 20 years. That's what we're facing.

Mr Church: Could I add a comment to Mr Hart's?

CHAIR: Of course.

Mr Church: Thank you. I think there are two aspects to the compensation issue. Council doesn't really expect to be handed money, I don't think. That would be nice, but we don't expect that.

CHAIR: Councils never think like that!

Mr Church: But what we are looking for is assistance with mitigating infrastructure. For example, where a bridge has to be replaced or a level crossing has to be closed and something else put in place to allow that or to reconnect our communities, then we are thinking about assistance with that infrastructure. For example, at the moment we're talking with ARTC about a particular rail bridge that needs replacing. They're looking at replacing that, but with the road bridge next to it, they're saying, 'Well, that's your problem.' We're saying, 'Hang on, you've impacted this fairly significantly with what you've done.' So they're talking to us about that, but there's nothing firm. So we're saying, 'Well, look, we think it would be fair and reasonable if we could at least access some sort of funding to assist us with the infrastructure costs.'

The other component to that is probably assisting us to take advantage of opportunities that might arise from this. Like we said, there's no ability for rolling stock to stop and for us to have a service centre there or for an intermodal hub or anything like that. If we could access some funding that might assist us put together business cases so that we could then talk to the Commonwealth, the ARTC and the state, maybe we could establish some sort of appropriate service centre on land that's adjacent to the corridor. We would like to be able to at least present a business case that says, 'Yes, it's worth doing.' But that would probably cost several million dollars so we're sort of saying, 'Can we have assistance in that regard?' We're not simply asking for handouts but we want to be able to replace infrastructure and prepare business cases.

CHAIR: It's the unforeseen circumstances that pop up when all these things start taking place. I can't speak for my colleagues at the front here, but personally I thought we would be coming out to have a hearing and there might be three or four more problems. I think we've found about 1,400 and it's still increasing. In terms of a local shire everything is just as important, but my goodness me my head is spinning around. What shire is Acacia Ridge in?

Unidentified speaker: Brisbane City.

CHAIR: They're not even here yet.

Unidentified speaker: They haven't provided a submission yet.

CHAIR: They haven't? Crikey. They were the ones that should really be here. Am I right? Should they be up here? Why are you looking at me like that?

Senator ROBERTS: I was speaking with the mayor, Tanya Milligan, a couple of years ago and she was saying that they can't understand why they're going to lose so much agricultural land and not even get a siding on which to get access to the rail. Would that make a big difference?

Mr Church: Yes, it would. I might hand over to Mr Hart on that one.

Mr Hart: Yes. The response from ARTC is that that is going to be driven by the private sector. We sort of understand that to some extent but—

Senator ROBERTS: How do you understand it? Because I don't. No, I'm serious. If the rail structure and passing bays are all established and only the end is up for grabs, I don't know how someone can jump in the middle.

Mr Hart: I think the scope that ARTC have been given to deliver a freight railway doesn't include those additional facilities which may indeed cost tens of millions if not hundreds of millions of dollars. But there is a question of scale. For example, we have land—commonly known as GWIZ—which is industrial land between the

Warrego Highway and the Inland Rail corridor, which could be utilised for some sort of intermodal facility. Council are prepared to talk to people about a potential development for that site.

Senator ROBERTS: The ARTC people?

Mr Hart: No. More private sector—would be happy to do that and would be happy to talk to ARTC about it. In their defence, ARTC have certainly helped us with those connections around GWIZ to ensure they can accommodate B-double trucks, for example.

CHAIR: Yes. Mr Brady.

Mr Brady: Chair, through you to Senator Roberts, I'd also probably just flag the example in New South Wales where the state government invested \$400 million in a Country Rail project along the Inland Rail. They are using that as the backbone and then bringing their lines into it. So not only communities but private sectors and others can take advantage of it. I think it's fantastic to see that happening. That's what we've got to do with this national project. This is the backbone. There's a lot to build around it. This is where we can mitigate a lot of impacts. But that investment also has to come from state governments. That's where all parties have to come to be part of this project at the end of the day to get the benefits out of it that we so dearly wish to see.

Senator ROBERTS: That access can only occur if it's possible and not physically eliminated by the structure of the rail itself.

Mr Brady: Most definitely.

Senator ROBERTS: So it's got to be thought about now.

Mr Brady: And if that could happen now, fantastic. It probably just leads me into our brief. If you are going to do a tunnel and have two rail tracks through a tunnel, you've got to have a double viaduct coming up to that tunnel. It's a huge additional cost—likely another \$1 billion or \$2 billion on top of what's there now—if you're going to do those sorts of additional works. It can't be accommodated within the scope of the project that sits there today. All levels of government have got to come together and collaborate to say, 'If we are really going to make this nationally transformational, what do you need to do now to get the best out of it?'

Senator ROBERTS: As I understand what you're saying, the initial scope will probably need to be reinvestigated, because as we learn more about the project as it is it is raising more questions, and then that will need more government involvement from the states and councils.

Mr Brady: It definitely has to consider what the country wants to do in the future, and what regions and councils wish to do in the future. Somehow we've got to engage in that and get that collaboration on the project now.

Senator ROBERTS: There's been a strong impression created by ARTC that they rule the show and it's fixed. Whether that's true or not—they don't think it is—it's a living organism we're talking about, Inland Rail.

Mr Brady: Yes. We've got intermodals that are going onto it, and they are being planned for. There are those discussions between businesses and Inland Rail now. Inland Rail do have the commercial user section talking to customers and potential customers and all sorts of things. Obviously you will have the Western Moreton line from west of Toowoomba joining at Toowoomba, and the ability for that to go straight down the tunnel with coal from Acland, produce, grain and other things.

Senator ROBERTS: Thank you.

CHAIR: Are there any further questions?

Senator RENNICK: I have one for the Lockyer guys, who can all answer. I think you already have. Basically these flood plains are going to be affected by this railway line coming through. Long story short, as you said before, there's not much benefit for the Lockyer Valley, is there?

Mr Church: No, that's correct.

Senator RENNICK: It's more pain than gain. With that in mind, I suppose my emphasis is with the Toowoomba region or Toowoomba city. At the end of the day, the way I see it—I'm not sure if you were here before when I was talking to the ARTC—basically, because we had to go up through Gowrie, it's going to add an extra 60 kilometres to the length of the entire route. So we're going north up to Gowrie, doing a zigzag through Queensland, basically. We're going to add 60 kilometres to the length of the track. We're going to cross the Millmerran flood plain—the Condamine flood plain at Millmerran—and we're going to cross Lockyer Valley

Why should the track go up to Gowrie and through Toowoomba, given Toowoomba's just had a new road bypass built around it and you've got dual carriageway all the way through to the port anyway? As one of the submissions said, if you were a cotton producer out at Dalby or something, it's going to be much quicker to just

load the cotton or whatever straight onto the truck at Dalby to take it straight through to the port. This was given out this morning: 66 per cent of the long-haul intercapital goods is basically going to go from Melbourne to Brisbane, not Melbourne to Toowoomba. So wouldn't it make more sense to leave Toowoomba out of it, with just a spur from Warwick, rather than go all the way to Toowoomba in the first place?

Mr Brady: Obviously those sorts of decisions and computations were probably done about 10 years ago when Parsons Brinckerhoff did that 2010 report on rail alignments and stuff like that.

Senator RENNICK: I know why, because Gowrie down to the junction near Acacia Ridge is already an existing state owned corridor. Ultimately, it's the states who own the corridors. We've been bagging out ARTC for the last two days, but they're restricted by what they're told and where that corridor is. The original corridor had Warwick in there, and then you were going to go up to Toowoomba. I was told this morning by ARTC that it was the state government that said they wanted it to go through Gowrie. That impacts Millmerran specifically because by going north you go right across the Condamine flood plain at one of its widest parts, in some of the most fertile soil. Then you bring the Lockyer Valley into it, which just happens to be the other major food bowl in southern Queensland. Why on earth you'd want to go through two major food bowls is beyond me when you can just go south along the border and then up through Beaudesert via Warwick.

I know you say that decision was made 10 years ago, but I think it was made 10 years ago because the state government didn't want to fork out on acquiring new rail corridors between Warwick and Beaudesert; they'd rather use the existing one because it's cheaper. Ultimately, if we can knock 60 kilometres off the length of the track, we're going to make it a faster service and more competitive. As you just said, there are implications for a lot of people in the Toowoomba region, not just Millmerran. I'm from Chinchilla and I went to school in Toowoomba; I'm not anti-Toowoomba at all. But I just look at this—

CHAIR: You still live there?

Senator RENNICK: I just can't see why we have to go up that way. It just seems like a lot of extra hoo-ha. I accept it may be a higher cost of engineering through the Cunninghams Gap to get that way, but you've got to offset that against the fact you've got an extra 60 or 70 kilometres going up via Toowoomba. You're going to have 14 or 15 kilometres of coal that's throughout Millmerran plus what we've got going through the Lockyer Valley, which I don't think we've even discussed but I suspect there are numerous kilometres of embankment there. And the Lockyer Valley has just come through a shocking drought. I struggle to see—and I am asking you to justify to me—why we should make other smaller communities suffer just so Toowoomba can be in the mix here, given Toowoomba has got an airport and it's got a bypass. Why does it have to go through Toowoomba, or around Toowoomba, at Gowrie Junction? I understand the coal, but it's really only Acland. From Kogan Creek, you could easily take that back up through Gatton once Wandoan opens, so it doesn't have to come through. The chances of moving any further coal through Brisbane are going to be slim anyway. Coal has enough image problems as it is, without creating another one that way. I'm from a farm, so I appreciate the east-west corridor there, but perhaps you could justify why it should go to Toowoomba.

Mr Brady: Obviously I wasn't there when they chose the route and considered all the details there. Toowoomba is the second-largest inland city in Australia.

Senator RENNICK: Yes. I know all that.

Mr Brady: As pointed out by the CEO of the Council of Mayors South East Queensland, it's going to be at the end of a major growth corridor. We see the city growing to around 800,000 people by the end of this century. It's going through significant growth. That whole corridor right through is going to grow. Obviously the rail connection to Toowoomba today is very antiquated and—

Senator RENNICK: Can I interrupt you there? Sorry. That line there now, if anything, you'd want to reserve for a passenger line, not a freight line? The previous mayor just said that they've got complications with the passenger line and the freight train.

Mr Brady: With respect, Senator, it takes nearly five hours by passenger rail from Toowoomba to Brisbane as it stands today. It will never suffice as a passenger rail line for growing cities or growing corridors. The nation needs to invest in a decent rail network west of Brisbane, into that area.

Senator RENNICK: No arguments from me on that one.

Mr Brady: Ultimately one of the conditions the state has put on Inland Rail is that it has to be able to take passenger trains and be passenger-proof for the future. That's our understanding—that the state has requested that. So it does meet not only the need for the Inland Rail and produce and other things that will happen from the west of a significantly growing city but also, into the future, the passenger provisions and stuff like that.

Senator RENNICK: If we could save the extra 60 kilometres by going a more direct southern route, you could take that 60 kilometres and tack it on the back of Ipswich and you'd almost be back to Toowoomba.

Mr Brady: It's probably not for me to say whether that's a good idea or not as we stand here today, but there are always options.

Senator RENNICK: What's going to be loaded on at Toowoomba that's going to go to Brisbane? Are you going to load anything in Toowoomba, given that you're just down the range anyway? Wouldn't trucking ultimately be the major purpose?

Mr Brady: We've got major businesses already developing intermodal set-ups to go west. We got, about 3½ thousand heavies a day, up until the range crossing opened, through the city of Toowoomba. About 80 per cent of those are now using the bypass, which is fantastic. There are a lot of opportunities in the corridor where the three major national highways converge.

Senator RENNICK: That's what I mean. So your road corridor there—

Mr Brady: The city is setting itself up as an inland port, with the ability to act as that point of change if loads have got to go through somewhere else. So major businesses are investing, and the private sector is seeing the benefits of what this will bring to not only the city but the region and ultimately the state and nation as well. So I think it's trying to balance all those things, at the end of the day—which is, in choosing an alignment, one of the most difficult things to do.

Mr Hart: Perhaps I could comment on that. My understanding is that, going back to 2010 and before, it was largely a question of capital cost as to why they chose the route through Toowoomba rather than going down from Warwick. That was the reported—

Senator RENNICK: So the capital cost is in acquiring land between Warwick and Beaudesert, is it?

Mr Hart: No, I think it is actually having to go down the Great Dividing Range from Warwick. I think several river crossings come into play, and I think the terrain is pretty difficult—even more difficult than in our part of the world. The other thing I want to comment on is that there's currently a business case being undertaken with Commonwealth funding—a \$15 million business case for passenger rail between Toowoomba and Brisbane. If local governments can get some input into the scope of that business case, it would be greatly appreciated, because we believe that we have something to offer, in that we don't necessarily see the need for bullet-train-style rolling stock, but a practical, sensible passenger transport link between Ipswich and Toowoomba would be very beneficial for the Lockyer Valley and what lies in between. So we look forward to engagement with that business case if invited to do so.

CHAIR: Great. And I'm not interested in what persuasion or what political colour the governments are or were or whatever. All I'm interested in is the best interest of the nation and the people it's supposed to deliver to. So I'll go to you, Mr Brady. You're saying that the Queensland state government weren't engaged—and I'm not putting words in your mouth—but now they are? Just help me out. I don't want to start looking for blame, but just so I can start trying to picture the Queensland—and we haven't even got onto New South Wales yet, God help us; that's going to be interesting too.

Mr Brady: It's our understanding that until the signing of the intergovernmental agreement—and others impact us as well—the state government did have people in the background doing certain work of engagement—

CHAIR: You don't have to protect us; just say it as it is.

Mr Brady: Yes. It's our understanding that nothing much was moving at the state level, until that intergovernmental agreement was signed. And, as you know, there are commercial elements to that.

CHAIR: And that's now signed?

Mr Brady: That was signed in November, which was a landmark point. And I think the opportunities for engagement going forward are greatly enhanced through that signing.

CHAIR: Okay. Thanks for that, because what I'm trying to put together here—just for Queensland, one would think, this is what I've picked up: that a project of this size is immense. We know, and everyone supports it, but I'm talking about its current shape and form. But it is a lesson for the history books. If we're going to start talking about these sorts of infrastructure projects then one would think that first you would have as many conversations with the state that you have to have—the states and the feds—and then you've got to come to some agreement. And there is the third tier of government, as importantly—bring everyone along for the ride with you—

Mr Brady: Exactly.

CHAIR: and get all the bugs ironed out. And this may sound like a very simple one, but one would also think that you'd have the environmental impact statements and all that cleared up before you start making announcements. So, for the history books, if you ever want to know how to stuff up a major announcement, we've got one in front of us. You don't have to comment on that! If there are no further questions, I thank the mayors and representatives of the councils and the communities. And good luck! I tell you what, I'll have a dollar scratchie with each and every one of you that we'll still be talking about this in 2025.

Mr Brady: Hopefully you will get an opportunity over the coming days or weeks to have a look at our brief that we put forward—some ideas that you might be encouraged to take forward.

CHAIR: Absolutely, and the secretary will go through that too. We have been given some massive opportunities for bedtime reading in the past two days. We're all very appreciative of the effort you have put in. Thank you so much. Safe travels back—and don't break down on that Toowoomba Bypass, or you might get cleaned up, because you've got nowhere to pull off.

KEENAN, Mrs Robyn, Member, Logan and Albert Conservation Association

PAGE, Mrs Anne, President, Logan and Albert Conservation Association

[15:15]

CHAIR: I now welcome representatives from the Logan and Albert Conservation Association. Is there anything you would like to add about the capacity in which you are appearing today?

Mrs Keenan: I'm representing the Logan and Albert Conservation Association—I'm a member of that organisation—and I'm a long-time resident of Kagaru.

Mrs Page: Robyn is also a community representative on the community consultative committee for the ARTC for the Calvert to Kagaru section. I am here today to speak about some of the issues. I am actually a community consultative representative on the Acacia Ridge and Bromelton section—that is, Kagaru to Acacia Ridge and Bromelton.

CHAIR: That's fantastic. You have been sitting here patiently for long enough that you know what I'm going to say next: tell the world what you want us to hear before we go to questions.

Mrs Keenan: Thank you for the opportunity to address you today. I'm probably going to repeat much of what you've heard already from Millmerran yesterday. It's a different corridor but it'll be the same story. Prior to my retirement I was a senior maths and science teacher with the Queensland department of education. Until recently, my husband and I successfully operated as primary producers on our small-scale property a Kagaru, where we resided for 41 years. Our home is approximately 800 metres from the existing interstate corridor, so I'm familiar with the impacts which can, under certain circumstances, occur in the proximity of a freight railway line.

I've been a member of the Logan and Albert Conservation Association for a number of years and have been aware and fully supportive of the initiatives the group has undertaken in relation to environmental matters and planning issues involving not only the Scenic Rim and Logan council areas but also the wider environmental community.

Ever since it first came into public notice, I have taken an active interest in the initial studies and the consultation involving the identification and subsequent declaration of the Southern Freight Rail Corridor, which ARTC said today they were told by the Queensland government they must use for this particular freight line. I have referred to these in the submission, as findings and statements in the professional studies carried out to identify the route for this freight rail corridor warned of the potential impacts should it be used for high-speed rail freight. A number of options for the location of the Southern Freight Rail Corridor were identified in these reports and subsequently discarded for various reasons. The northernmost corridor was identified as suitable but discarded because of the proximity of the intended residential development at Springfield and Ripley and the potential impacts on the then proposed residential community. This criterion appears to have been forgotten or discarded with the choice of the proposed alignment utilising the existing interstate corridors from Kagaru to Acacia Ridge and bisecting the residential developments at Flagstone, Greenbank, Parkinson, Algester and Acacia Ridge. The priority development area around Flagstone alone is proposed to accommodate possibly 120,000 nominal residents in the near future. Unfortunately, despite all the scientific evidence of these and other reports, as well as local information and knowledge shared by residents, ARTC have steadfastly refused to consider an alternate corridor and continually state they must use the Southern Freight Rail Corridor. I'm also a member of the inaugural community consultative committee for the Calvert to Kagaru section of the proposed Inland Rail. We had our last meeting in November last year. That was our two-year stint, and they are calling for new committee members from the start of this year, which we were all invited to apply for.

CHAIR: Who's they?

Mrs Keenan: ARTC.

CHAIR: What's wrong with the existing members? Or is this for additional—

Mrs Keenan: The first appointments were only for a two-year tenure, so they're creating a new group, and we were invited to apply again for those positions. I was therefore able to hear and question ARTC professional officers on various aspects of the proposal. I found it very disturbing to consider not only the significant impact on people's lives that impacts such as noise, dust and emotional stress would have but the prospect of future impacts such as flooding, which no-one can definitely say will not happen. One only has to look at the information on the ARTC website regarding the proposed structures to take the line across the Bremer River flood plain—one that hasn't been mentioned yet today—

CHAIR: Which flood plain?

Mrs Keenan: Bremer River, which is west of Ipswich—to question why existing residents should be expected to look out from their homes not to the rural vistas they enjoy currently and have worked hard to achieve but to a high-speed, noisy, elevated rail line carrying double-stack containers on potentially a 3.6-kilometre-long train travelling at 115 kilometres an hour within a few hundred metres of their homes.

Some of these elevated sections are on bridges which are up to 15½ metres above the existing ground level, and one particular bridge is proposed to be 965 metres in length, or nearly a kilometre. There are approximately 23 of these bridges, of varying heights and lengths, plus kilometres of raised embankments of varying and unknown heights and lengths between Calvert and Kagaru. What will the effect be of surface water movement in heavy rain periods? Possible results have been modelled, but no-one can definitely say that there will be no adverse impact. The model is only as good as the data used, and, unfortunately, there are many instances where Mother Nature has not complied with mathematical models.

I attended a flood workshop held by ARTC at Peak Crossing, where they asked the public for information on flooding on their properties. Flood diagrams presented showed that flood levels at Kagaru did not match the Scenic Rim council flood maps overlays or the levels clearly visible in the Google Earth photos of the area taken several days after the peak of the Cyclone Debbie floods in 2017. When I asked why only 2011 and 2013 data was used, and not 2017 data, the ARTC presenter advised that, because council had not updated their records, ARTC did not consider 2017. Strangely, the new Scenic Rim council draft planning scheme released at about same time appeared to consider those same 2017 levels.

ARTC have constantly stated that the route will not be changed, despite some changes already occurring as the need was identified. Unfortunately, the existing community—both rural and high-density residential, as occurs between Kagaru and Acacia Ridge—does not seem to be high on the priority list of concerns. There are several thousand young families who have moved or who are about to move to new homes in the Flagstone area—a priority development area with many small blocks of 400 to 500 square metres in the general proximity of the existing interstate corridor. Much of this is low-cost housing designed to give young families a start. These families are simply told, 'You live near a railway line now,' or 'You knew the line was there when you bought your property.' This is not an appropriate or a reasonable response to genuine concerns.

The current interstate line carries only a few trains a day, sometimes none at all, compared to 45 per day—or, as I think we heard today, 43 per day—two- to 3.6-kilometre-long trains travelling at 115 kilometres an hour and taking over three minutes to pass. This is the rail traffic proposed by ARTC, but the figures are so fluid depending on which information sessions you're attending and which ARTC employee you're speaking to. As you heard from the Logan and Scenic Rim councils, both are promoting the Salisbury to Beaudesert rail link to use this same corridor from Kagaru to Acacia Ridge. This will mean that these same families, who are only a matter of metres from the corridor, will have four lines traversing Kagaru to Acacia Ridge, and that corridor and the impacts associated with it will have a further impact on these families.

These families will be expected to meet the cost of significant mitigation measures to ensure some degree of protection from the impacts on their families. The measures, as recommended in the assessment for the Southern Freight Rail Corridor, include high-performance acoustic materials, special construction techniques based on specialists' advice, facade and glazing upgrades, air conditioning, window sealing, mechanical ventilation and ongoing maintenance costs. These are expensive measures, with the expense to be borne by the household. There will be no compensation, as the rail line does not go onto their property. No-one is talking to these families—no-one at all.

It appears that an inappropriate route has been decided upon despite obvious problems, with little explanation or reasoning to support it. The ARTC personnel charged with the responsibility of delivering the route have been simply instructed to make it work. Surely the value of a project deemed to be nation-building is much more than just the perceived economic outcomes over a long period. To be successful it should be encouraged and supported by the community so that the community can see it as a benefit. This can only happen if they're treated fairly in deliberations, something that does not appear to be happening at the moment. On the contrary, many affected residents believe that they are simply being ignored, that their knowledge and concerns have no value and that it is just another example of big business running roughshod over the little man. The ARTC expect landowners to be flexible and reasonable and accept what they propose without reason and without providing supporting data. At the same time, the ARTC frequently state that the route will not be changed. Being reasonable goes both ways.

I was recently speaking to a group of ARTC engineers who had addressed the C2K CCC on various aspects of the EIS. I asked them all: would you like to live near this thing? There was an immediate, unanimous answer. All of them gave an emphatic no. I think that speaks to what the general public thinks of it. Thank you for your indulgence and time and for listening to my comments.

CHAIR: Thank you, Mrs Keenan. I've got the map open here. I missed that new area where you said hundreds of families—

Mrs Keenan: Flagstone. It's just north of Kagaru. The Logan-Scenic Rim boundary is Teviot Brook, and Flagstone starts immediately on the northern side of the Teviot.

Mrs Page: Basically, Flagstone is Flagstone PDA, which Tamara O'Shea, the interim administrator from Logan City Council, was talking about earlier. PDA means priority development area. The southern boundary of Flagstone is immediately to the north of the Logan River. If you look at where the Logan River is and you go north from there and all the way up to Greenbank, that is Flagstone. Flagstone, at capacity, is predicted to accommodate 120,000 people.

CHAIR: Right. Thank you. Mrs Page, do you want to make an opening statement?

Mrs Page: I've been President of Logan and Albert Conservation Association for about 15 years. Our organisation has been active in the old Beaudesert shire area, which is now divided into the Scenic Rim Regional Council area, and the Logan City Council area. Our organisation has been involved in following the South East Queensland Regional Plan and environmental and infrastructure-type developments and planning processes, especially since 2004, when the state government announced the South East Queensland Regional Plan. The South East Queensland Regional Plan is the one that has identified Flagstone PDA, so already there is a big issue here in terms of high-density development along the corridor.

Today I'm particularly going to talk about the Kagaru to Acacia Ridge section. In particular, I'm going to focus on some community and environmental issues because, although we are the Logan and Albert Conservation Association, a lot of environmental issues, as you'd be aware, have big impacts on the community, and we've heard some of them today.

The route from Kagaru to Acacia Ridge has been described as an enhancement project. However, it is not. Currently there are anywhere from zero to eight trains per day on the line between Brisbane and Sydney. The intensity of the train movements is proposed to increase to, we heard today, 43 trains per day by 2040. That is about one train every 30 minutes. ARTC again says to current residents, 'You live near a train line; you should expect to hear train noise.' However, the scale and intensity of what is proposed for the future is way beyond what any resident could have anticipated. I've lived in the area, at Munruben near Greenbank, since about 1991. In those days we heard many rumours about passenger rail, none of which influenced our reasons for living in the area. We chose to live in the area because of its acreage and environmental values. So did many other residents in this area. It has been an acreage area and a rural area and now, because it's a peri-urban area, it's suffering large developments like Flagstone.

The trains are proposed to be double stacked, as we know, and over 1.8 kilometres in length—potentially over three kilometres in length—and travelling in excess of 100 kilometres per hour. These will have significant impacts on the community and the environment. There was some discussion earlier this morning about noise mitigation. From an engineering point of view, noise barriers and noise walls only have small benefits to those who are immediately adjacent to them. Noise barriers project noise further, so in an urban environment the noise will extend to a further distance beyond the wall. The noise bounces off the wall and then bounces beyond it. So in fact the noise will extend beyond that. In many parts of the section from Calvert to Kagaru and Kagaru-Bromelton to Acacia Ridge, there are rural sections. There is no way that ARTC will provide noise barriers through a rural environment to mitigate noise. Certainly, if they attempted to do so, it would have negligible impacts because the noise will travel further in a rural area and in an acreage area. In a built-up area, buildings will contain some of that noise. The structures will contain that noise to some extent—not completely, considering the enormity of the noise impacts that there will be from this train proposal. But because you have valleys and you have very few buildings in a rural context, that noise will definitely travel very far. I live about four kilometres away from the train line, and I can hear the noise from the current interstate train line when the trains travel through.

One of the things we have to appreciate is that for the community from Kagaru to Acacia Ridge there was no consultation about this alignment. In fact, the community consultative committee that I am on was only initiated after every other consultative committee had commenced. It was only at the insistence of the C to K community consultative committee that a committee was then put together at the last minute, and the Bromelton and Kagaru to Acacia Ridge committee commenced, after every other consultative committee. Yet this section of the rail has the highest density of population along it compared with any other section in the Queensland corridor. Why then did ARTC choose deliberately to not have this consultative committee commence earlier? Our consultative committee commenced in November 2018—I incorrectly dated it to January 2019 in my submission, so I just want to correct that.

The inland freight route is proposed to use the existing Sydney to Brisbane rail corridor between Kagaru and Acacia Ridge. However, there has been very significant Queensland planning, the South East Queensland Regional Plan and many development approvals by Economic Development Queensland, the state government, Logan City Council and Brisbane City Council, which has meant that no level of government has preserved or protected the rail line from encroachment by past, present or future development, especially residential development between the Logan River south of Flagstone in Logan City Council and Acacia Ridge in Brisbane City Council.

I remember there was great discussion in the 1990s about the rural urban fringe areas of Greater Brisbane, which are now Sunnybank Hills and Algeester, just north of the Logan Motorway. All the planners were saying at that time that it was basically the last opportunity to preserve the green belt of Greater Brisbane and that all councils and state government organisations should be planning to protect that green belt. This interstate corridor runs through it. Of course, nothing has happened. That green belt was not protected and so development has been allowed. More development has encroached on that line and that corridor. No level of government has made any attempt to prevent that happening.

There is a PDA called Greater Flagstone, which has a proposed population of 120,000. At Greenbank there are an additional 30,000, so that's 150,000 people. In addition to that the Park Ridge Structure Plan by Logan City Council will have another 30,000 people living in proximity to the corridor and further north at Boronia Heights near Park Ridge in the Logan City Council. It's a pity Tamara O'Shea is not here to speak to that point now. If we add the existing population in 2008 at the council amalgamations of probably 32,000 people, you can appreciate that in this region a population the size of Canberra is going to be impacted by this rail corridor. That is the reality the community in this region is facing.

I have mentioned the Park Ridge Structure Plan. However, as I mentioned earlier, the community has known since the 1990s that passenger rail from Salisbury to Beaudesert is coming. It's interesting that no-one was talking about inland freight rail in the 1990s—no-one—but everyone has been talking about passenger rail since before the 1990s. If we have in that region a city the size of Canberra, we need passenger rail more than we need freight rail.

Mrs Keenan: If I can interrupt for a moment. If they build the Salisbury to Beaudesert passenger line in that corridor then the new lines will need to go to the east of the existing two lines of the ARTC corridor. ARTC claim that they have enough space for their two lines. They're not interested in whatever else happens. So any new lines will need to be built only on the eastern side because otherwise they will need to cross the interstate line to get to Beaudesert. That eastern side is totally densely populated. There's no way they can get away without widening that corridor. They want two extra lines, they want a corridor for the electrical infrastructure to run the domestic rail and they want a walking track and a bike track. That's going to mean the resumption of hundreds of homes along that track, because there will just not be enough room for that corridor to fit. Those who are left will be faced with not one but four railway lines—two domestic lines and two interstate freight rail lines, with very big trains travelling at high speed. The noise impact will be tremendous.

At one of our CCC meetings a sound engineer addressed us and discussed noise, various noise levels and what they represented. One of the points he made was that one of the issues is—and I'm not an engineer so I apologise if I use the wrong terminology—what they call low velocity sound. It's something that they cannot mitigate, because it will penetrate concrete walls. There is nothing they can do about it. My home, as I said, is only 800 metres away from the line. Most of the line that goes from my area is through a cutting so the noise is minimal, but there is one small section where it is exposed. When a train goes through in the middle of winter, when the air is cold, dense and still, there is at my place a sudden thud and the windows shake. And that is from that particular type of noise production, and there is nothing they can do about it, and I'm 800 metres away. My neighbours live right on the line. I know their whole house shakes and cracks, and the vibration is enormous.

Mrs Page: As far as I'm aware, if the Queensland government approves the development for the Flagstone PDA, there are no conditions for additional panes of glass for noise mitigation. There are no conditions for vibrations and for engineering that's going to make residential structures or building structures more resilient in this environment where you're going to have four tracks of freight trains moving very heavy amounts of load and passenger rail. We have no idea how many passenger trains per day are going to be using this line. ARTC told us this morning it will be 43 trains per day—one every half an hour or less than half an hour. How many passenger trains per day will there be for a city the size of Canberra or bigger—how many trains that are going to have an impact on the community?

Then, when we add to that the whole width of the corridor and the speed at which the trains are travelling, you start to think that this is a complete and absolute severance of any wildlife movement. Any environmental values

that remain in the area are completely lost. In this region there is a significant area called the Karawatha to Flinders Peak corridor, which I've mentioned and provided a map of in our submission. Basically, it was signed off by the Queensland government in 2010. This is very significant because it protects and recognises significant environmental values. Some of the values that they're hoping to protect are the long-term evolutionary genetic processes that allow natural change in distributions of species and connectivity between populations of species over long periods of time.

In the next 100 years how many koalas do you think are going to be able to move across that corridor? How many kangaroos? How many wallabies? How many spotted-tail quolls? They're federally endangered. How many endangered bat species that live in this region? How many greater gliders? You're looking at a total wipe-out of any species that is currently in existence in this corridor. Under climate change scenarios, most scientists agree that lowland to highland connectivity is essential. This corridor will fragment that connectivity. Another priority for this corridor is maintaining landscape ecosystem processes associated with geological, altitudinal and climatic gradients to allow for ecological responses to climate change. If we're considering nation-building projects worth \$10 billion that are coming out of taxpayer dollars, then you really do need to consider these impacts over the next 100 years.

I'm a teacher. As a teacher, I can tell you that my students would be horrified to think that there's no fauna movement along the length of that corridor. And I'm not just talking about Acacia Ridge to Kagaru and Bromelton; I'm talking about for the whole corridor from Melbourne to Brisbane and a severance of any kind of fauna movement along the whole corridor, particularly when you think about double-stacked trains. When you think about birds, flying foxes and gliders that normally might be able to make it across from one stand of vegetation to another, nothing's getting across that barrier. Maintaining large-scale seasonal migratory species processes and movement of fauna is not happening. Maximising connectivity between large tracts and patches of remnant vegetation is not happening. Four of the objectives—the reasons why that corridor was signed off on by the Queensland government in 2010—will not be met if this corridor is approved. The connectivity through the landscape and vegetation areas surrounding the Karawatha to Flinders Peak corridor around this area of Kagaru and through Flagstone in this region are at very significant risk, and they're of great value.

The inland freight rail is a threat to endangered and threatened species. I've listed some of them before: spotted-tailed quolls, koalas, brush-tailed rock-wallabies, greater gliders, grey-headed flying foxes and regent honeyeaters—and they are only some. I know that the EIS will make a list of those. But any kind of mitigation that is going to be done by ARTC will not stop local and regional extinction of species, and I really do think that koalas and other species have to be a really high priority, having gone through the recent bushfires Australia's just suffered with such a huge loss of bushland.

CHAIR: Thank you, Mrs Page. Thank you, Mrs Keenan. We've gone over time. I didn't want to interrupt you. So we haven't got a lot of time left—well, we haven't got any time left. But are there any pertinent questions that the senators wish to ask of Mrs Keenan or Mrs Page?

Senator McDONALD: Yes. I'll keep it short.

CHAIR: No, it's important that you do ask them. I'm happy to just keep going because, let's be honest—we're always honest—we're not coming back for another hearing in Queensland. So I'd rather change flights and do bits and pieces, if that's what it takes to make sure everyone gets heard.

Senator McDONALD: I've been looking at the map while you've been speaking, just to be clear on where you're talking about. I am concerned. There are a couple of issues that you've raised. I think the biggest one is that we seem to have this collision of planning at a federal and state level. We're talking about putting a whole lot of people into that area. So, regardless of train or people, there are going to be habitat impacts. I'm really concerned that there is this big population growth. I hope that the people who are building their houses in Flagstone right now have been informed of what's coming.

Mrs Keenan: As I said before, I believe that the whole corridor from Toowoomba north—I can't speak of south of Toowoomba because I don't know enough detail about it—as it is currently planned is totally inappropriate. There are too many issues, too many things being raised, too many things that need to be addressed. I really believe that, if there is not another obvious way—and, from what we heard today, there possibly is, but notwithstanding that—if there is nothing else at this point in time, then why not stop the thing at Toowoomba? Make whatever changes are needed to avoid the Condamine flood plains or whatever is involved in that—and, as I say, I know little about that—but stop it at Toowoomba, where you have, as we've heard from the Toowoomba mayor, three major highways intersecting. So there is the opportunity for freight to be offloaded onto trucks and taken to Brisbane—no different from being offloaded onto trucks in Acacia Ridge and moving around Brisbane. I'm sorry, but the cynic in me says that decisions were made some years ago, in relation to the

positioning of things, like the state development areas at Ebenezer and Bromelton. By the way, when they were announced in 2008, we were told the need for those was because Acacia Ridge was at capacity then, so how Acacia Ridge has suddenly developed the capacity to put in a big intermodal terminal, I'm yet to understand. But we suddenly had this existing intermodal sort of thing at Acacia Ridge. The Queensland government declared another area at Bromelton and at Ebenezer, and suddenly there was this talk of Inland Rail, and, 'Let's join up the dots and run the train through there,' without any thought given to the fact that they had already decided to develop areas like Flagstone as a massive city.

Senator RENNICK: If I can make an observation here, it's interesting that—I forget his name now—the guy before said that the state government has been very quiet on this. It suddenly occurs to me: I can see why, now. It's because, at the same time as they know this Inland Rail is coming, they're approving houses down at Flagstone for 120,000 people. And it's kind of like they're ignoring things. Look, to be fair, I came here yesterday thinking, 'I'm going to cop this'—and the ARTC's copping it. But this whole idea of saying that you've got to consult with the ARTC: that's too late, if they've already laid down the corridor. The consultation needs to be over where you lay the corridor, first, because if they're constrained by where the corridor is, there's really only so much flexibility within those constraints. They're putting the horse before the cart.

Mrs Keenan: And one of the reports actually said—I think it was in the ARTC's submission—that there'd been no decision, that negotiations were still taking place and no decision had been made on where the intermodals were going to be. I'm not a planner, but I do manage my own house and my own budget. Surely you work out where your intermodals are going to be before you worry about joining them up—or you look to see whether they can be joined up. It's part of the whole parcel, and none of it has been done that way.

Senator RENNICK: Yes, because this intermodal's going to be at Bromelton, isn't it?

Mrs Keenan: Well, that's what they say.

Senator RENNICK: Is the distance from Bromelton to the port much shorter than the distance from Toowoomba to the port? I mean, why bother going through the Lockyer Valley? You could just shove it on the truck at Toowoomba and take it down to the port if it's got to go, or whatever.

Mrs Keenan: I appreciate your comments about bringing it in from Warwick. The unfortunate part about bringing it straight into Bromelton is that while it might be good for Bromelton as an intermodal port, as it stands at the moment it will still go up through Flagstone, Greenbank, Algester, Parkinson and all these suburbs up there where the big population is. It won't alleviate that problem. And, really, in our area I perceive that as the major problem. There are certainly problems from Kagaru across to Calvert as well. They're different problems, really. And that's what I say—and this is my opinion—that there are too many problems in too many different areas between Toowoomba and Acacia Ridge. They really need to, if they want to push ahead with it now, take it to Toowoomba and then really have the time to think about it and plan properly what to do from there—whether it's to go on to Gladstone or whatever they want to do. But there has not been enough forward thinking or forward planning of all the issues involved to bring it straight or to try to get it into Brisbane by 2025, which is the time frame they're telling us.

Mrs Page: And it's almost the fact that because there has been the interstate freight line between Brisbane and Sydney on that Acacia Ridge section they've left it until last, because it's a fait accompli: 'Oh, there's an existing track there; no-one will be able to argue against it.' But, as I've pointed out and as Robyn's pointed out this afternoon, there are very significant development projects—more people living along that corridor. Going north from the Logan River to Acacia Ridge, that corridor's basically built out.

Senator RENNICK: Perhaps I can make an observation, though. You can't have one without the other. If we're going to, for example, stick 120,000 people at Flagstone, you're going to get noise and activity and environmental impact anyway. In some respects, it's the whole population growth thing here. I don't want to get down that path. And, with respect, if we're going to have a big city here, if we're going to keep developing all the time, something's got to give, and it's going to be the environment on the outskirts of cities.

Mrs Page: And I think this location is a classic example—

Senator RENNICK: Yes.

Mrs Page: at all levels—federal government, state government, local government. Everyone's just gone, 'Tick, tick, tick; develop, develop, develop, develop, and let's not worry'—

Senator RENNICK: Absolutely.

Mrs Page: On the state government plan there have been no additional core habitat areas protected anywhere. There have been massive urban development areas and no core habitat areas being protected.

Senator RENNICK: Are they going to leave any part of Greenbank there? That used to be the old cadet survival—

Mrs Page: The Greenbank military training camp area is a part of the Flinders-Karawatha Corridor and it is on the national heritage estate register for natural and cultural values. So, yes. It is known to have gliders, spotted-tailed quolls, koalas—very, very high levels of conservation values there. And that's indicative of that corridor through there.

Mrs Keenan: But a lot of mistakes have been made in the past, and they're still being made. That doesn't mean that we need to make yet another one, to add to it, by putting this thing through there.

Mrs Page: And remember: that \$10 billion investment's only getting you to Toowoomba; it's not getting you down to Acacia Ridge. How much it's going to cost—

Senator RENNICK: I should know the answer to this. I apologise. Are they going to unload at Bromelton or at Acacia Ridge?

Mrs Keenan: Acacia Ridge, they're saying. Bromelton seems to be an afterthought, because at the moment there is only one big operator at Bromelton. There are probably more coming, but there is one big one at the moment, and they're currently bringing their own trains up, one a day, from Sydney, and offloading onto semitrailers. You can just about walk across from one to the other and walk to Brisbane across the top of the SCT semitrailers travelling that highway.

Senator RENNICK: By the time the train came down the range and did the zigzag again down south to Bromelton and up again, if you put it on a truck at Toowoomba and ran it out the Logan Motorway—

Mrs Keenan: You'd be there and back to Toowoomba in that time.

Senator RENNICK: you'd be there on the port anyway.

Mrs Page: That's right.

Senator ROBERTS: I understand your passion for this topic, and I'm certainly in favour of protecting species and looking after them. Are you against the project totally?

Mrs Keenan: No.

Senator ROBERTS: You did qualify it by saying 'as it is currently planned', and you're advocating stopping at Toowoomba and not going down.

Mrs Keenan: Yes, but it really seems to me that the Toowoomba to Brisbane section is an afterthought. It's, 'Let's take it in there,' for whatever reason, for whatever pressures were brought to bear. My very first recollection of talk of Inland Rail is of it going through to Gladstone. That's how I remember it from a number of years ago, when it was first talked about. The Toowoomba to Brisbane bit just seems to me to be an afterthought. When you look at all the issues concerned, that thought becomes more and more reinforced, because it just doesn't seem to be what I would consider to be logical planning.

Senator ROBERTS: As the chairman continues to point out, the key issue here is to get traffic off the roads and put it onto the rail from Melbourne to Brisbane.

Mrs Keenan: But it's not going to do that. All it's going to do is move the road transport from one place to another. It's going to increase the road transport around Acacia Ridge.

Senator ROBERTS: It will do that, sure, but it will reduce the traffic between Melbourne and Brisbane. Out of Melbourne and out of Brisbane, there will be much less traffic on the roads and fewer B-doubles.

Mrs Keenan: Possibly, yes. I don't know.

Member of the audience interjecting—

Senator ROBERTS: I know where Acacia Ridge is.

Member of the audience interjecting—

Senator ROBERTS: That was one of the issues that I raised with the ARTC in 2016—that it wasn't going to the port.

Mrs Page: At the committee meetings for K2ARB, which is Kagaru to Acacia Ridge and Bromelton, when the community reps have asked questions about how the freight would get from Acacia Ridge to the port of Brisbane, ARTC's response has always been: 'Our business case is to get it to Acacia Ridge. We don't worry about it after that point.'

Senator ROBERTS: Correct. That's why I raised it in 2016. That seems to be a big flaw in what they're doing.

Mrs Page: It is unacceptable, because, if we're saying that we're going to deliver this within 24 hours to the port of Brisbane, then that's a lie.

Senator ROBERTS: That's a flaw that I picked up in 2016. I happen to agree with you there. Which council is responsible for this area?

Mrs Page: In the area of Flagstone, it's Logan City Council. Further south, it's Scenic Rim Regional Council, and Acacia Ridge is in Brisbane City Council.

Senator ROBERTS: And to the west is Ipswich?

Mrs Page: To the west is Ipswich City Council. So it's really like a big transboundary issue. You've got all of these councils overlapping.

CHAIR: I'm going to run out of friends here—sorry, Senator Roberts. Here am I sitting and thinking, 'We've got to listen,' but the secretariat have got to get back to Canberra because they've got another hearing there tomorrow morning. Sorry, Mrs Page. Sorry, Mrs Keenan. Thank you very much. We'll let you go, because we've got other groups to appear.

CORBETT, Mr Stan, Member, Inland Rail Action Group

CORBETT, Mrs Suzanne, Member, Inland Rail Action Group

[15:59]

CHAIR: Welcome. Mrs Corbett, you're appearing as a concerned citizen?

Mrs Corbett: Yes.

CHAIR: Mr Corbett?

Mr Corbett: I'm a resident of Forestdale, which is on the corridor. I'm a concerned citizen and a member of the Inland Rail Action Group.

CHAIR: Fantastic. Mrs Corbett, would you like to make a brief opening statement?

Mrs Corbett: Thank you for the opportunity to speak here today to discuss my submission 41 and to represent our community, a community that are concerned for their health and wellbeing and continued peaceful enjoyment of their properties. I'm a member of the ARTC CCC, representing the community of the K2ARB section, which is from Kagaru through to Acacia Ridge. I'm also a resident and a voice for our community in the Inland Rail Action Group, which will be heavily impacted by this rail should it be permitted to go ahead. Our home is 300 metres from the rail line, so we'll be extremely impacted by the noise et cetera. My history as a shipping superintendent means I have a pretty good understanding of logistics and shipping.

Of all the 13 sections of the Inland Rail, this last section is unique in that, of the 1,700 kilometres of the proposed Inland Rail route, it is the only section which passes through two cities, Logan and Brisbane. The K2ARB section of this route is considered to be high-density residential. Currently, 50,000-plus residents live along the line, with a future increase of 120,000 in the Greater Flagstone area and perhaps another 100,000 in the impacted zones of the whole K2ARB section expected by 2040. This existing and future residential population has been ignored and/or played down by the ARTC. We've raised this issue with them, and they don't care. They've not expressed any concern.

The community have expressed concern about the impact of noise, coaldust, diesel fumes, vibration damaging our homes, and other health and environmental issues associated with this project. The residents have focused their concern on the reported health issues from transporting coal in open-top wagons from the mines through our suburbs. We feel that the ARTC's plan is to focus more on coal rather than freight through our area. Our residents are really concerned about the transport of coal in open-top wagons from the mines through our suburbs. They've expressed concerns about the impact of reduced air quality from the dust lifting from the tracks; the diesel fumes, which are a well-known carcinogen, from a minimum of three diesel engines; and the coaldust from the uncovered wagons.

Many residents within the K2ARB depend upon tank water, and, from research, water contamination of this type is considered a high health risk. Many in our community, including a doctor, are also concerned about sleep deprivation and associated health issues arising from the noise of the trains. The ARTC have refused to listen to the residents' apprehension that the physical location of passing loops in high-residential suburbs between Hillcrest and Forestdale and Flagstone and Kagaru is a design flaw. The ARTC have responded to our concerns for relocation, stating that the location shown on the maps is the optimum shown by their computer models. The ARTC have advised that 10 trains per day will be diverted into the passing loops, with each train idling for approximately an hour. These trains will be producing noise, vibration and fumes directly into our homes and properties, with many homes only 20 metres from the rail and the proposed passing loops. There are numerous well-established public and private schools, aged-care facilities, parks, ovals and places of worship along this Queensland corridor and, regardless of the fact that ARTC have been advised of these facilities and future growth by Inland Rail Action Group with maps and numbers, ARTC have continued to disregard this information and have proceeded with the design and engineering to route their trains through the New South Wales-Queensland corridor.

We've established that these trains will not go directly to port and will terminate at Acacia Ridge, which is also considered a high-density suburb. ARTC have not yet established logistically how the yard will manage 45 trains a day when it currently only handles eight. The current trains are 1½ kilometres in length, with restrictions at Acacia Ridge so as not to exceed 1.6 kilometres. Richard Wankmuller has stated that a 1.8-kilometre double-stacked train equated to 110 B-doubles. This could also equal 220 single container trucks per train. This will potentially increase traffic on our already congested roads, with up to 5,000 short-haul distribution trucks per day, and this is of major concern to Acacia Ridge and surrounding suburbs. The existing rail link to the port of

Brisbane is not suitable for double-stacked containers; we've established that. ARTC claim that this existing rail link to the port will be adequate until 2040.

We consider that the ARTC proposal is a material change of use in the K2ARB section of this line, and this is due to their intent to utilise this New South Wales-Queensland line for coal trains, which have never been on this line before. The current daily traffic on the New South Wales-Queensland rail line is two passenger trains and eight freight trains per 24 hours. ARTC are proposing increasing the number of freight and coal trains to 45 and the type of freight double-stacked from 1.8 increasing to 3.6, which will be longer, heavier, faster and 24/7. That's one every 30 minutes. We have appealed to ARTC to restrict train traffic to daylight hours to allow residents uninterrupted sleep. This has been refused.

Our community concerns are being ignored and the expectations of the ARTC CCC meetings are considered to be nothing more than ticking the boxes, irrespective of the impact upon and concern of the 50,000-plus residents living within this corridor impact zone. Meetings have focused on what ARTC are doing rather than what the community wants or what is in the best interest of the community. At no time have senior members of ARTC addressed our issues. We have written to Mr John Fullerton and Mr Richard Wankmuller, asking to meet with them so we can discuss our issues.

ARTC have not adequately addressed our community concerns at the public meetings, at which it has proven challenging for CCC members such as me to ask questions. Observers have not been given the opportunity to ask questions at these meetings. If they are late, the doors are closed and they're denied entry, even though some come from distances.

CHAIR: The doors are closed and they're denied entry?

Mrs Corbett: Yes.

CHAIR: And they're members of the CCC?

Mrs Corbett: No, they're members of the public who have registered to come to the meetings. If they are a wee bit late, the doors are closed and they're denied entry.

CHAIR: So we can hear knock, knock, knock and someone says, 'You're not coming in.'

Mrs Corbett: Absolutely.

CHAIR: It'd be all right if we could operate the Senate like that! Crikey! Really? I shouldn't joke about it.

Mrs Corbett: I've taken this issue up with the project lead. I have written to her. I have discussed it with her. She said basically that that's what they do.

CHAIR: When was the last meeting that you had where that occurred?

Mrs Corbett: Our last meeting was actually in August. We were supposed to have one in November, but they cancelled it and then told the CCC members after the fact.

CHAIR: Can I just make a note, Sarah and co, can you just remind me of this when we get to Senate estimates, when we are preparing questions. We have to follow that one up. We can't let that one slip by.

Mrs Corbett: Thank you.

CHAIR: Now, I'm not going to rush you, but you've got a bit more. My Queensland colleagues are going to allow me to catch a plane to WA, and I appreciate that. We're in no rush, but you might not be in the *Hansard*. For the concerned residents, do you want your voices recorded? Do you have written statements that we could incorporate in case the *Hansard*—

Mrs Corbett: I can give you a copy of this if you wish.

CHAIR: You've gone through yours; you're all right. I'm asking the concerned residents who obviously have written statements. Can we accept them as submissions? That way your words will be on our website, incorporated for the whole world to see. Is that okay? I do apologise. Now everyone is happy and all back in love, where were we, Mrs Corbett?

Mrs Corbett: ARTC have planned and discussed with residents the baseline noise metres without CCC members knowledge, so when the residents contacted us for further information we had no idea what was happening, and yet we're supposed to be the middle people between ARTC and the community. We have set up a Facebook page where we post all the information of what's happening, but we're just not getting it so we can't keep the community advised of what's happening.

The minutes kept by ARTC of the CCC meetings are poor and don't accurately represent the occurrences of CCC members asking questions. The CCC committee members asking questions are not identified other than by 'a member asked'. To enable the community concerns to be recorded and answered, as representing the

community of K2ARB, it was necessary to formally present a list of typed questions at each meeting to ensure they were included in the minutes and responded to. I've given examples with my submission.

ARTC's responses to questions have, in general, been vague and been comprised of standard, non-specific answers. This has reflected the poor management and approach to community concerns. The ARTC have not represented the minutes, as they occur during the CCC meetings, tabled on their website. The minutes provided for the four CCC meetings held to date consistently have excluded many of the questions, answers and information.

We have all expressed concerns about the chairs who facilitate the meetings. They're supposed to be chaired by independent persons, as stated on the ARTC website. We question how independent the chair positions are. If the chairs are paid by the ARTC, they are therefore considered employed by the ARTC and perhaps are not independent, as stated. That concludes it. Thank you for listening and for your time today.

Senator RENNICK: You're worried about coal coming through. Which mine? I'm aware of Acland. That already comes through anyway. After Acland, there is Whitehaven coal in New South Wales, but that goes out via Newcastle. Where else is the coal going to come from, going forward?

Mr Corbett: Basically, what we're concerned about is that the seven—I've heard up to eight or nine—million tonnes which is going through Brisbane port will be diverted from the West Moreton mine, which passes through Ipswich, onto the Inland Rail. It's what's going out the port at the moment.

Senator RENNICK: So that will be what—10 or 15 years? Then there's stage 3, isn't there, which may or may not be approved? I think it's been knocked back, and they're trying to get approval.

Mr Corbett: It's a bit waffly, but at the moment we can just go on the existing tonnages that are exported through Brisbane—anything between seven and eight million tonnes a year. It is fairly small, but we don't want to see that pass our way.

Senator RENNICK: There is the concern about Acacia Ridge becoming a logistics hub. I accept that. That will obviously be concentrated around Acacia Ridge. But surely there must already be existing logistics hubs around Brisbane anyway, where trucks are coming in and going out. They're going somewhere and getting unloaded to disperse all around Brisbane. Do we know where the existing hubs are? Are there existing hubs for freight from Melbourne, or do they just go wherever without necessarily converging on a single point?

ACTING CHAIR (Senator McDonald): Perhaps when you come up next you can talk to that.

Senator RENNICK: That's a question I probably could have asked anyone today. Your mind is on different tracks throughout the day, that's all. We can leave that one.

Senator ROBERTS: I appreciate Mr Corbett's extensive statement. I don't think we have enough time to hear the other two groups.

ACTING CHAIR: I think you're probably right. Thank you very much for your time. Would you like to table your statement as well?

Mr Corbett: I'm reading it as I go, so I'll keep it short.

ACTING CHAIR: If you wouldn't mind, just to make sure that the other people have an opportunity to speak as well.

Mr Corbett: Firstly, I'd like to thank the Senate committee for the opportunity to speak at this hearing. My statement is a brief summary of my submission, number 35. Basically it provides what I consider is a viable alternative for consideration by ARTC. It's regarding the Inland Rail project to overcome objections from residents to the various sections of the Queensland component of the Inland Rail project, which includes the border to Gowrie, Gowrie to Kagaru and Kagaru to Acacia Ridge and Bromelton. Yesterday at Millmerran, and supported by Matt Burnett this morning, you would have heard numerous times the desire for an alternative route to the west, commonly called the forestry route, and a Gladstone destination. In this summary I will detail how I believe this can be achieved. It's important because at this stage there are some anomalies in what people are considering about the Gladstone connection, which I believe need to be corrected.

Just briefly, on my own career, I've been working 50 years as a professional electrical engineer. I've worked for major consultant groups, including BHP Engineering, Aurecon, Hatch and various electrical contractors, including for Patrick Green. What I'm saying is that I've worked on very large, multibillion-dollar projects over those years. Many of those include a rail component. I'm very familiar with the commercial, engineering and estimating stages which are involved in the planning process and which are required for the successful implementation of multidisciplinary projects such as the Inland Rail. Unfortunately I must confess that I'm not seeing it in this particular project. That's reflected in the concerns that are being expressed here today.

Senator ROBERTS: What are you not seeing?

Mr Corbett: I'm not seeing the same level of engineering staging that I would expect to see in a \$10 billion commercial project. Suzanne in her statement clearly identified community concerns for those residents along the K2ARB section. These concerns have been expressed over about three years. It's important to recognise that this is a long-term thing. The IRAG that we both belong to first started talking to the ARTC group in November 2017, so it has been a three-year project for us and we're still going.

On five formal occasions we've had meetings of the IRAG and the ARTC and with the K2ARB CCC, which Suze is a member of. The ARTC have consistently refused to consider alternatives. This is probably our main problem with the ARTC. We propose an alternative and they refuse it. I will give you an example. This is a written question and a written response from 2017 and our first meeting. Our question 7—and we had about 25 questions—was: 'Has ARTC investigated Gladstone?' The ARTC responded to that question by saying: 'The federal government has charged ARTC with constructing Inland Rail within the current alignment, based on the 2015 business case produced by PwC. Investigations into alternative alignments are outside our remit and need be discussed with the DIRDC.' That response has been consistent for three years. They will not consider alternatives, because they have a very narrow scope of work, and anything outside that narrow scope of work will not be looked at. I think you can appreciate our frustration in that.

I do acknowledge that the ARTC response 'outside our remit' may be a totally correct response with regard to the narrow confines imposed on the ARTC by the federal government. An outcome of this inquiry that would be desirable to our Inland Rail Action Group—and I'm sure to others—would be for the federal government to take note of viable alternatives proposed by the communities and for the ARTC to be instructed to carry out a full investigation, both engineering and costing, into each of those alternatives. Basically, we're putting some faith into this Senate inquiry to put pressure on the federal government to say: 'You have a narrow confine. We want you to broaden it because there are some good ideas out there for you to look at.'

Submission 35 is my viable alternative. It is a viable alternative to the current ARTC route between the Queensland border and Acacia Ridge-Bromelton. The alternative that I am proposing has what I consider to be sound reasons. The current Inland Rail proposal as an inland rail route for the nation is an inland route for Victoria and New South Wales, but it is in no way considered an inland rail route for Queensland. The current route, as you know, diverts the Inland Rail to the east coast and Brisbane only a few hundred kilometres into the south-east corner of the state. The alternative provided in my submission provides for the Inland Rail project now and in the future to be extended as an inland rail for the whole of Queensland. The new route proposed in the submission overcomes the flood plains and farming issues in the Inner Downs areas, border to Gowrie and border to Kagaru. It removes the requirement to construct approximately 8½ kilometres of tunnels and the need for a PPP to finance the Gowrie to Kagaru section. It provides an alternative destination for current and future coal trains by building the Surat Basin rail link and sending all coal trains to Gladstone. The acceptance of the submission 35 alternative will result in Logan and Brisbane becoming totally coal-free cities now and in the future. That's an important point that no-one else is really talking about. We want to create a coal-free Logan and Brisbane.

How will this submission achieve this? The border to Gowrie alternative route is the first issue. You've heard this discussed before. This route has been recommended by community members and farmers from the border to Gowrie Inland Rail section. It is proposed that the alternative route towards the west be investigated in lieu of the current project's selected route. The current project route has many identified problems, as we've heard over the last couple of days, including cutting through numerous farms, roads and buildings on the black soil flood plains.

The current project route, in addition, cuts many secondary roads, each requiring a rail crossing. It runs parallel to the A39 highway as well as passing through or close to many towns and farms. The alternative route proposed commences at Inglewood, west of the ARTC route, and will run through the Bringalily State Forest. The route continues north until it terminates at Dalby, so we're proposing that Dalby be the hub. Not only does this alternative route avoid many of the community issues with the ARTC project, but the geology is much more favourable to the construction of rail lines. The approximate distance from Inglewood to Dalby is 150 kilometres, of which only 15 kilometres is farmland. Ten kilometres follows the brownfield QR alignment, and the remaining 125 kilometres is through cypress pine forest country. There's a map on page 10 of my submission, if you'd like to refer to that at some stage.

It's proposed that ARTC obtains adequate land at Dalby to construct an intermodal terminal designed specifically for the Inland Rail project and which is capable of handling their stacked, double-stacked and 1.8-kilometre-long trains initially, with provision for future 3.6-kilometre-long trains. It'll be a purpose-built intermodal hub. Adequate container-handling equipment and land storage facilities to handle the future 46—and I'll say 46 because trains are like gravity; what comes up must go back. It's got to be an even number, so 45 or 43

I don't understand. It'll mean that trains will be left standing in Queensland somewhere, and we don't want that. These will include storage for sensitive freight; modern, automated straddle carriers; access road networks for trucks; hard stands for unloading containers; refrigerated containers, if it's sensitive equipment that requires refrigeration or requires a distributed power system—this purpose-built terminal will have that. The alternative proposal would see the Inland Rail, at this stage, terminating all Melbourne-to-Queensland trains at this new facility and allowing for the formation of return freight trains from Queensland to Melbourne. This is important—it's only, as I consider it, stage 1 of the Inland Rail. We heard this morning that it would be nice if it went all the way through to Cairns. I think those are future stages, of which this is the first step towards.

The next step is the construction of the Surat Basin railway. As part of this alternative proposal for the Inland Rail, it is proposed that the ARTC scope of work include the construction of the 210-kilometre Surat Basin railway, located within the Surat Basin Infrastructure Corridor State Development Area. This section of rail has already been studied for feasibility and route maps have been drawn. An EIS has been submitted and approved over a three-year EIS study period, and construction is now ready to commence. All it requires is funding. Finance for this new section of rail would be available from the deleted scope of work in the current Inland Rail ARTC proposal. The Surat Basin railway would be constructed as a dual-gauge railway connecting Wandoan to Banana and providing a connection to the Moura railway line to the port of Gladstone. It is proposed that initially this section of line be utilised for diverting all current and future coal trains from Brisbane to the port of Gladstone. The Surat Basin railway will also provide a future extension of the Inland Rail through to the balance of inland Queensland.

On cost savings, the PPP for the section from Gowrie to Kagaru is currently costed at \$4 billion. That's a bit rubbery, but that's what we've seen published by Infrastructure Australia. This expenditure will not be required. The direct link to the port of Brisbane from the Inland Rail's current Acacia Ridge termination is currently estimated at around \$2 billion. This expenditure will not be required. The additional expenditure required for the new Dalby intermodal terminal and the Surat Basin railway is estimated to be around \$2 billion. The initial feasibility study of this rail costed a billion dollars in 2010. There is a potential saving by adopting this alternative proposal of around four billion taxpayer dollars.

On the distribution of goods, this alternative proposal has no impact on the current road and rail infrastructure that exists in Brisbane. ARTC has stated that 70 per cent—which was a Richard Wankmuller figure; today we heard 66 per cent—of inland freight rail is and will be Brisbane domestic goods. Dalby is connected to Brisbane by rail. The current West Moreton rail line recently upgraded—

ACTING CHAIR: Excuse me, Mr Corbett. Would you mind if we tabled the rest of your submission?

Mr Corbett: Yes, certainly.

ACTING CHAIR: You've also made a written submission as well, haven't you?

Mr Corbett: Yes.

ACTING CHAIR: I'm very sorry to cut you short, but we do have other people who also want to speak to their submissions.

Mr Corbett: That's okay. I would prefer to submit this as an electronic copy.

ACTING CHAIR: That would be marvellous, if you've got it electronically.

Mr Corbett: Yes. It needs a bit of a tidy-up.

ACTING CHAIR: The secretariat can provide you with an electronic contact, although you've probably got that from when you tabled your submission.

Mr Corbett: Yes. I can email it.

ACTING CHAIR: Thank you very much for the time you've put into this. I am sorry that we've run out of time today. Thank you very much.

DAVIS-SMITH, Mrs Angela, Private capacity

EWART, Mr Graham, Private capacity

EWART, Mrs Shirley, Private capacity

PORTER, Mr Craig, Private capacity

STUMER, Mr Lloyd, Private capacity

WUTHRICH, Mr Mallory, Private capacity

[16:30]

ACTING CHAIR: As a panel, if you have got presentations that you wish to table, could we do that? You will have about five minutes each.

Unidentified speaker: I promise I'll keep it brief. I've practised it. It's five minutes.

ACTING CHAIR: Excellent. I am sorry that we are short of time, but we do have a hard finish time of five o'clock. Mr Porter, you can kick off.

Mr Porter: I put in submission 7. Just as a brief history of myself, my family has been in the transport industry since pre World War II, so we've been in it for a long time. I've got trucks; my father has had trucks. That's part of it. I'm also an earthmover, so I've done a fair bit of earthmoving. I also work in quarries. My passion is Pittsworth. I was brought up around there.

You will see these freedom of information documents I've got for you. I just want to read a few things out of them. With the Wagner group we've got large railway ballast deposits. It has got that John Wagner has provided ARTC with a map of the proposed alternative route alignment. And here's another one from Dennis Wagner. It says: 'I caught up with such-and-such last week. I think we're all clear that our interest is to have the alignment run past the Wellcamp airport, regardless which route is ultimately acceptable.' There's another one there, just at the back, which says: 'I recall that the Mount Tyson route looked feasible and I was aware that the Pittsworth option had not rated well in the 2010 study.'

My question is: why are we going through Pittsworth? There were a few different routes discussed. There was the base case, which was through Millmerran via the Oakey-Mount Tyson railway line. Now, in September 2017—surprise route—we're going to go through Pittsworth. My question is: why would you go through the hills? You've been through the hills of Pittsworth. There is a lot of cut and fill. The freedom of information documents are all stuff to do with Wagners. At the ARTC meeting at Bringalily hall at Millmerran, John Wagner got up and said, 'I don't care where the railway line goes as long as it goes past my airport.' Here is another one. A well-known person in the Toowoomba Regional Council has also got a quarry around the Millmerran area. I won't say his name. The Toowoomba Regional Council also took out a key resource area, which locks an area up for quarry material for ballast at Millmerran. I can get you those documents as well.

So I'd just like to know. At the bottom here I've worked out a few figures, as you can see. To do a 100-kilometre stretch with ballast, the person who owns a quarry is usually going to receive about \$16.2 million. I would like to know why a route has been selected through Pittsworth, going up and down through cut and fill—valleys with hills—straight past a quarry that is owned by the Wagner group. It's the same thing at Millmerran; it's going close to the quarry at Millmerran. To be a preferred ballast supplier for rail, it's preferred that you are within 25 kilometres of the rail. The base case line, which is via Mount Tyson—not the base case modified—was actually 47 kilometres from the Wellcamp airport/quarry. So that's one question I'd like to get answered. The ARTC costings going via Pittsworth through to Wellcamp are another \$135 million. I know that's not a lot, but why wouldn't you stick with the base case, which goes via flat country, through Mount Tyson and on to the western line. That's the way it goes. The other thing is, I've carted a lot of stuff out around the Brookstead area. It is a good producing area. Going through the flood plain area is ridiculous. My question is: has this route been selected correctly, or is it for a quarry contract? That's straight to the point. I won't muck around.

ACTING CHAIR: We will now have that question posed to ARTC when they present next.

Mr Porter: Yes—that'll be good. The other one quickly—because I've probably nearly used half the time. Senators, you would have a Toll document there.

ACTING CHAIR: Yes.

Mr Porter: I'm a subbie for Toll logistics. The base of it is, if I've got to pick up or deliver a container within a hundred kilometre radius—so, from Brisbane to Killarney, which is Warwick; it's about a hundred kilometres from here to there—Toll pay me nearly a thousand dollars to transport that container. And at the other end—say

we're doing rail freight—from the supplier in Melbourne down to the railhead you're up for a thousand dollars. From the railhead in Brisbane to the customer—a hundred kilometre radius—you'd be up for another thousand dollars.

Road freight at the moment is \$110 per tonne. You get on a single truck 25 tonnes, roughly, and that's about the same size as the container. That works out at about \$2,800—you can get a driver from the door at the supplier to the door of the customer. If you go to the rail—I've got a few figures here. As I said, the customer's got to pay \$2,000 in short-haul freight. That takes our figures back down to about \$800 that rail can charge. But you've still got to get somebody to pack containers. You've got to get a crane at either end to load and unload that container. Cranes are usually on a minimum call-out fee of about \$160. Side lifters, which are another thing, are about \$300.

If the rail—or whoever puts the rolling stock on the rail—is going to charge, we're down to about \$180 a container, you might as well say, to charge out. That's for a 40-foot container. To be competitive, the rail will have \$180 a load to be competitive. Then, take out container-lifting equipment. Those big container forklifts in the rail yards are on roughly \$300 an hour. It takes about 10 minutes to lift. A truck comes in from the supplier. The container lifter picks it up and puts it on the ground. They get enough containers in there. When the train comes in, the container lifter picks it up again and puts it on the train. That's both ends. You're up for about 40 minutes lifting for one container, both ends. That'll be about \$200 for the rail-container lifting equipment.

So what do we have here? The \$180 the rail can charge out for a container for their customers—by the time they deliver the load. The rail's made at least a \$20 loss. And this is without hidden costs. For road transport—and my uncle still runs Melbourne-Brisbane, so I know the freight. My uncle gets \$2,800 to go to the supplier, pick it up—the driver straps it, covers it and drives it straight to the customer in Brisbane or wherever. The driver helps unload and signs paperwork—gone. The job's done. So I'd just like to know who's got a calculator in ARTC, and if I was Lindsay Fox, or the Toll Group, I would be seriously looking at how much money I could make before I bought rolling stock.

That's pretty brief. I'm sorry; I'm a bit jumpy. I'm not a good speaker.

ACTING CHAIR: No. You've done well.

Mr Porter: My phone number and email addresses are on the back. If you're lying in bed in the middle of the night and you think, 'I've got a question,' ring me, please.

ACTING CHAIR: Thank you very much.

Mr Wuthrich: I'm a resident of Algester and a member of the Community Consultative Committee out there for the K2ARB route. I hope you've had the opportunity to read my full submission. I won't go into the details that everyone's talked about, but I think my statement actually goes to the heart of some of the queries that you've had throughout the day regarding the planning or lack thereof at multiple government levels.

I'm a father of two small children, aged seven and four. My wife and I moved to Algester in 2013 due to its suitability as a community to raise our children in. It has fantastic infrastructure, access to shopping services, parks, public transport and schools. Much like other suburbs, it's just a very regular generic suburb.

We did our due diligence, and before we moved in we knew there was an existing railway there. But, as best as we could find, from all the records we observed, the load was very minimal. It had always been around eight trains per day. We found something further, which really assuaged our concerns. Back in 1997 we found a letter from then opposition leader Peter Beattie. He stated that, should he win the upcoming election, a state Labor government would guarantee the future of those residential communities by saying, categorically, no future government would allow heavy rail freight to come through that area.

Now, Mr Beattie did win that election, and since that time suburbs and residential communities have only grown further, and billions of dollars have been spent in the intervening years by successive governments in providing infrastructure and services that identify these communities as major residential growth hubs of South-East Queensland. You were saying earlier that there's a train line there. For 30 years now we've been focusing on growing these. We've known that these are going to be major residential hubs. We became aware of the Inland Rail coming through our suburbs in 2017. Adding to this shock was the discovery that large volumes of coal would be transited along the route, for the first time in our community. For over 100 years all coal in Brisbane has come along that Ipswich line. So, this is something new for our community. It's not baked in over 100 years. This risk is a new risk that we had no opportunity to foresee.

How has all this been tossed aside? How is it suddenly no longer relevant that in previous studies into the south-east corridor, as raised earlier, this route was deemed unsuitable due to the impact it would have on prime residential communities? All of that's been disregarded. The ARTC's own website said that people should consider it before moving near rail lines, as they can be quite noisy places. Well, we don't have a choice. The rail

line's moving to us, and, unlike major industry, we can't work with government on quid pro quo arrangements to gain concessions to offset the cost or ameliorate any of the risks. We have no bargaining power. None of this stacks up as representing fair, coherent and accountable civic planning.

How are families and communities expected to, in good faith, trust and follow the signals and planning policies of governments when even ironclad guarantees and decades of planning decisions can be up-ended and reversed? How is it conceivable that this current Queensland state government—who in December 2016 chose and gave this route to the federal government—justify to affected communities that this aligns with the ironclad guarantee of their Labor predecessor, Peter Beattie? How could they agree that it is fair and makes sense to move coal into these communities?

I'd like to finish by quoting from former Labor Premier Peter Beattie's letter to his colleagues in the lead-up to the election in 1997. An addendum to my submission, which I urge you to please read again, contains a link to the full document. I quote:

Labor's opposition to such a proposal goes back to at least 1986, and we are on the public record as strongly opposing any suggestion that a rail corridor should be built through these suburbs. The massive population growth through the areas concerned since 1986 makes that opposition more imperative.

... ..

At a time when Queenslanders are increasingly disillusioned that a Government can come to office with a wide-ranging commitment and then renege on them, I believe people will want, and even demand, a written guarantee on this matter.

With this letter I believe the residents throughout those suburbs of Brisbane can now feel assured that the election of a Labor Government will guarantee that this option is never proceeded with, and it is only proper that people planning their futures in the areas concerned have the security of such an undertaking.

ACTING CHAIR: Well, that was fairly definite, wasn't it! Thank you very much. Mr Stumer?

Mr Stumer: I'm a physicist, meteorologist and environmental scientist. I'm a long-term resident of Algester and I've prepared a couple of documents for the committee. One of them I finished at three o'clock this morning. Have you got a copy of this?

ACTING CHAIR: Yes. Thank you very much.

Mr Stumer: Okay, I won't summarise what's in there because I know everyone's got to move on. I think at the end of the day we've got to work out what's going to happen. It's quite obvious that this Inland Rail is a pest that no-one wants in Queensland, despite their slogan that it's a nation-building exercise. There are so many problems with it. They're seeking a lot of money. Why are they coming through our back door? We don't want them. There are no benefits for us. They also prepared a supplement for you fellas. If you read what I wrote last night as a supplementary submission, I just put a very quick way forward for the committee. I think there are a few porkies in the submission that Inland Rail prepared for you fellas. I think it's a federal offence for public officials to be giving misleading information to a Senate committee.

Senator RENNICK: Can you be specific about that?

Mr Stumer: Yes. In the document I prepared last night I listed some cases. I think they could be charged with contempt. They're certainly treating the local suburbanites in Brisbane and everywhere along the rail line with contempt. They're closing down meetings for public consultation. Public consultation means nothing to them. If you read what I gave you last night, I think there's enough evidence there to indicate how they have been misleading the Senate. I think basically this whole thing could come to a head with probably a royal commission into how the hell these fellas are allowed to operate. No one wants them. The only people who want them are people who want access to their money. They are of no benefit to us.

The economists say it's all a bit of a porky. In the submission I put in, submission No. 98, I've got 33 references contained in that submission. That is my initial submission to you fellas. If you read through that, I think you've got enough evidence to indicate what the economics of the case are. The Inland Rail does not stack up economically. The only people who will benefit are a couple of coalminers that own the coal-handling facilities at the port of Brisbane. That's New Hope Coal. They also own Acland coalmine. It's a little bit amazing that the main industry—if you read the document I gave you last night, it indicates that the main beneficiary is the coal industry, which will be New Hope.

Senator RENNICK: They've only got Acland mine, though. That's it. Once Acland's done and dusted—and it already goes through Ipswich—that's it. I've asked this question: where else is the coal going to come from?

Mr Stumer: They are trying to expand Acland. They are still trying to expand Acland—

Senator RENNICK: Yes, phase 3. But that's got a 10-year mine life, hasn't it? I stand to be corrected on that, but it's not 100 years.

Mr Stumer: No, it's not 100 years. But, in terms of the whole economics of this railway line, the beneficiary is coal. New Hope gave the LNP—

ACTING CHAIR: Did you see this earlier today? This is the document of the base domestic containers—you'll see that in the paperwork of the committee.

Mr Stumer: No, I haven't seen that. But I refer you to what they put in their submission. It's figure 15 in their submission and it's in what I presented last night.

Senator RENNICK: What page?

Mr Stumer: Page 8. If you look at the top of page 8, figure 15 has the mining industry as being the main beneficiary. This is from what the ARTC submitted to you. I've reproduced that on page 8 of my submission from last night. It's got the mining industry as the straight-out winner. That's extracted from—

Senator RENNICK: I've got financial and business services as a bit longer than mining. But, anyway, go on.

Mr Stumer: No. If you look at the operation, mining overtakes financial and business services. But there's a lot of misinformation in what they presented. There's probably no benefit in talking to the ARTC. I think this thing will just continue. They'll keep giving you spin, and I think they've got to be pulled up for presenting spin. And I think there's enough information in what I've given there to indicate where they are spinning you out.

ACTING CHAIR: Thank you very much.

Mr Stumer: Please refer to the references in my original submission No. 98 to see what the economics of this Inland Rail are. These are written by experts, and they're published in *The Australian Financial Review* looking at the economics of the Inland Rail, and they say it's a white elephant. So why is a white elephant trying to come through our back door to carry coal? I think it's a Senate responsibility to stop that nonsense. The alternative would be, instead of Brisbane, to take freight into Newcastle, because Newcastle can handle exports from western New South Wales a lot cheaper than from Brisbane.

Senator RENNICK: That's where a lot of the coal from New South Wales goes now—Whitehaven and that export region—

Mr Stumer: It goes there—

ACTING CHAIR: Thank you. I'm sorry to cut you short, but we need to give Mrs Davis-Smith an opportunity. Thank you very much.

Mrs Davis-Smith: Thank you for giving me the opportunity to speak. My submission is No. 90. I'm a stay-at-home mum of one child who is nearly four. I put in my submission because my concern is coal trains coming past. Our house is a kilometre from the railway line. We're in a section of Flagstone comprising one-acre blocks where we have tank water, we grow fruit and vegetables for our own consumption and we all have swimming pools and outdoor activities. So my concern is in regard to safety of all those living in these areas. We're a little bit unique compared with your typical suburban places which have town water, small blocks and things like that.

If coal were to come through our area, we would be affected. Our children would also be affected when they go to the park and sporting fields. In Flagstone, there is a brand-new \$12 million park which is 300 metres from the railway line, and the sporting field is 200 metres from the railway line. In relation to schools, there's a Catholic school being built which is due to open in 2024 for prep to year 12. There are currently two day care centres which have kindergarten programs. There's a kindergarten, a primary school and a secondary school. And, according to numbers on various websites, I think that's about 1,800 students, not including the Catholic school. That's just in Flagstone alone. When I looked at the map which the ARTC has provided of those residents in the 1½ kilometres from the railway line, I see in other suburbs there are properties similar to ours which are larger blocks. Again, people could be exposed to coaldust through air and consumption of food and water. That is what my submission is really based on. I'll keep it short. If you have any questions for me, feel free to ask.

ACTING CHAIR: Thank you very much for being so succinct. Are there any questions?

Senator WATT: I'm going to leave it because we've got other people to get to, but I understand what you're saying.

Senator RENNICK: Is the Ipswich line that carries the coal now the one that runs through Corinda, Indooroopilly and Milton?

Mrs Davis-Smith: Yes.

Senator RENNICK: I've lived within a kilometre of that railway line for about six years and I don't have any impact from coaldust or anything like that. Does that go right through Milton into Roma Street and then back out that way? How does it get to the port?

Mr Wuthrich: Through Tennyson and—

Senator RENNICK: Does it go via Tennyson?

Mrs Davis-Smith: Yes.

Mr Wuthrich: Yes. What this will do is divert it. It will now go via Algester, and then Tennyson will be where it rejoins, so it will skip all the intervening stations. Your experience with that, though, is somewhat different to many other residents along that line who have actually provided a different view and have provided evidence that shows that coaldust is a significant issue for them, living within a similar footprint.

Mrs Davis-Smith: Can I make a comment on that?

Senator RENNICK: Yes, sure.

Mrs Davis-Smith: The couple who are looking after my daughter so I can be here today said they actually lived on the Ipswich line with the coal trains going past. They said they stopped washing their car because they found that they were getting dust on it from the coal.

Mr Wuthrich: In the interests of time—and I understand that everyone needs to get an opportunity—much like Craig, if anything that we've said has resonated and there is any need for any further inquiries, please don't hesitate to use the contacts we've given to touch base.

Senator WATT: You can also put in a further written statement if there is something more that has come up that you didn't get a chance to say.

Senator ROBERTS: I want to say quickly, to reassure you, that I have been in the coal industry. I am no longer there now. Wollongong has been mining coal for 100 years. They don't have the dust problems. Ipswich—the same experience. I walked into a house right on the coal train line: they had no dust whatsoever apart from household dust. Coal companies would not want to lose that coal because one of the things with coal is that they inject pulverised coal into blast furnaces and they grind it up. They like every particle they can on the train.

Mr Wuthrich: It's the empty wagons coming back that produce the sub-2.5 micron particles, which the World Health Organization has acknowledged are a danger. Even the Senate committee here back in 2012 produced a similar report saying that they all need to be covered.

ACTING CHAIR: Thank you very much for your time. I am sorry to have to make you keep it short.

DUKE-GIBB, Mrs Alison, Private capacity

DWYER, Ms Bernadette, Private capacity

LUND, Ms Catherine, Private capacity

McKINNON, Ms Kaye, Public Relations Manager, Ivory's Rock Foundation

WAIHL, Mrs Anita, Private capacity

[16:55]

ACTING CHAIR: I welcome our last group of witnesses. Would you like to make an opening statement?

Ms Lund: Thank you for the opportunity to speak today. I'm a resident of Parkinson, as are my children. We built our home there because we wanted to live away from traffic and related pollution for health reasons. The ARTC's proposed route through my suburb would heavily impact my family. I'm about 800 metres from the railway line. My daughter and her husband, aged 25, bought a home about three years ago. They are within 200 metres of the train line. Currently there are about five to eight trains a day that go past their place. We're looking at about a 700 to 800 per cent increase in the number of trains. At the moment it's bearable. They cope with it. It's fine; they're young people. If we all got a 700 per cent increase in our superannuation I think you'd hear lots of cheers. For the people of Algester and Parkinson, a 700 per cent increase in the number of trains is going to produce tears. They can't afford to sell because the property prices have dropped. There are people who live closer to the train line than them, and that breaks my heart as well.

These trains will increase not only in number but also in length, size and speed. Children play in the bushland beside the railway, and I can only imagine the consequence when a fully loaded long train travelling at 115 kilometres per hour hits an adventurous or inquisitive child. At the moment the fences are in disrepair. Near where I walk the kids have built a little teepee out of sticks, as children do. It really worries me, because someone will climb over a fence. Someone will do something silly. A lot of the young families in the neighbourhood aren't even aware that there is going to be an increase in the train traffic if this goes ahead. A glossy brochure in the mailbox may be disregarded in a non-English-speaking home. Additionally, I'm really concerned about the wildlife. We have koalas, wallabies, powerful owls, gliders. There is a glider forest. Where are they going to go?

The thought of the trains running 24 hours a day burns me. I rang and asked whether there would be a curfew. I was told no. There was a lack of consultation and sound discussion. I've attended the K2ARB community consultative committee meetings and I have seen a number of the members treated with disrespect and a lack of empathy for their questions. It's a matter of ticking boxes. That breaks my heart as well, because consultation is the purpose of those meetings. For me as an individual it's really a deprivation of my human rights to be able to sleep in my own home. I don't have air-conditioning. I'm a greenie. I live with fairy wrens waking me up at four o'clock in the morning. I'm surrounded by trees. I live a very quiet life. I don't want air conditioning. And the ARTC's suggestion is: 'Close your windows, get air conditioning and suck it up.' You know, I don't have that need. I don't have a heater; I don't have coolers. I don't need them.

I just think it makes sense for the train line to travel through to Toowoomba or to go up to Gladstone. We're talking about people's homes and livelihoods. And we're in a position to bring good governance and sound, wise decision-making to bear. The people on the Inland Rail proposed route, along where we live, were promised by the Beattie government that the development of the railway line would be minimised, and, based on that, I and other people in the area purchased our homes in good faith. The Inland Rail does not belong in densely populated suburbs. Decreased property values mean that, for many, moving is not possible.

Please consider the needs of the people who will be negatively impacted by this proposal and leave our suburbs, our homes and our lifestyles as they are now. I urge this inquiry to recognise and acknowledge that the current route for the Inland Rail, through densely populated suburbs, is inappropriate. It must be reconsidered. An alternative must be determined that enables the positives of the Inland Rail not to be completely ruined by the negative of destroying families' hopes and plans.

ACTING CHAIR: Thank you very much.

Mrs Duke-Gibb: My husband and I are vegetable farmers on land which is within two kilometres of the Inland Rail route at Peak Crossing. Peak Crossing is right on the border of the Scenic Rim and Ipswich City Council's boundaries, and we're located on Ipswich-Boonah Road, which is the main thoroughfare between Ipswich and Boonah and also to Beaudesert. Ipswich-Boonah Road is at capacity now. There are no passing lanes. There are fatalities every year and accidents every week. It's horrendous.

I'm on the CCC for the Scenic Rim. I got involved initially in 2007 with the southern freight rail case studies and have been involved from then on. I'm very motivated to represent not only our family but the community that we live in.

I'd just like to point out two issues that I've had long-term discussions on with the ARTC. I would like to counter Mr Wankmuller's rhetoric this morning about safety being his top priority. That was with particular reference to putting a level crossing on Middle Road, which runs parallel to Ipswich-Boonah Road. On that road there are cattle saleyards, but people also use it as a way to get to the Amberley Air Force base rather than using Ipswich-Boonah Road. It's a diversion when Willowbank is on—major events—or when there are accidents on the Cunningham Highway. If you put a level crossing on that road, people are not going to wait eight minutes for everything to go down, the train to go past and everything to go back up. They're going to just start using Ipswich-Boonah Road, which is now over capacity. Our safety, therefore, is doubly at risk.

I've had a lot of contact with them about it from right back at 30 per cent reference—or whatever; I don't know their lingo. I addressed it with them when it was still at 30 per cent. They said, 'Mmm, mmm.' Then it went to 70 per cent, and then 100 per cent. Community members came to a CCC meeting. They had a meeting before the meeting. And it's just been a brick wall with respect to how they've responded to that. At the last CCC meeting we had, they presented all their arguments with respect to meeting safety standards as to why they could put a level crossing on that road, even though Ipswich City Council has expressed—in receivership, they can still notice that it's an issue.

I questioned them after they gave all that accountability. I asked: 'If the high-voltage powerlines did not traverse where they do, you would've been able to put a greater separation in?' And their answer was: 'Yes.' So it all comes down to not being able to reroute, or it being just too costly to do something about the powerlines. Trying to be proactive, I asked: 'Have you ever thought of putting the road underneath the train line?' And they said, 'No.' So they're not even being creative in their solutions or even wanting to listen to our concerns.

The other issue is putting the passing loop effectively in between the Ivory's Rock conference centre and the Peak Crossing township, with the prevailing wind blowing towards Peak Crossing. It was meant to be a kilometre away, west, but that's where flood plains are. Obviously, it was more economical for them to move it, so they just moved it and plonked it there where it's going to have maximum impact on our community. When I suggested that maybe they just move it a little bit further down the road where there are only one or two residents, they started talking about time frames in between passing loops and that it wasn't possible. I'll leave it there. You can read my submission. Thank you very much for your time. I appreciate it.

ACTING CHAIR: Thank you very much.

Mrs Waihi: My name is Anita Waihi. I've put a submission in as a concerned resident from the New Beith suburb, which is part of the Greater Flagstone area. I've put a submission in. Today I've tabled supplementary documents—which you've just been given—which are copies of all the correspondence I've sent and received. I would just like to speak to the point that we've tried to provide communication to members of parliament, ministers and local government and it really feels like everything has gone unheard. The back boundary of my property is actually right on the railway line, and the document you've just been given is a photo of my backyard. That is what I see when I'm sitting outside. That's what is going to be impacted by continuous rail freight coming through. I'm going to have to sit inside with the air conditioning on and, if I want to have people over for a barbecue or socialise or have my grandchildren come and visit, it's going to have to be inside my house.

ACTING CHAIR: That's running—

Mrs Waihi: That runs the back boundary. Our back patio is approximately 80 metres from the rail line at the moment. I have the usual concerns—like everybody has said—noise, dust, vibration. I've written letters, starting in July 2018, to communicate my concerns. I wrote to the Premier, the minister for the environment, the minister for state development, the minister for transport and the minister for infrastructure and transport. I received a reply from the office of the Premier, advising that my letter had been forwarded to Mark Bailey, and from the office of Mark Bailey, five months later, urging me to direct concerns to the CCC. I've also submitted concerns to the CCC as well as contacting Scott Buchholz, the federal member for Wright in April 2019. To date, no response has been received.

I've written to 11 Queensland senators recently—this month—and received a response from Senator Amanda Stoker advising the project is already confirmed and 'my concerns will be forwarded to Michael McCormack to address the impact on residents'. Michael McCormack was forwarded my letter with my concerns in July 2018. But 'that's okay because we've approved the project now in November'. Again it just feels like the responses have just been rubber-stamped and handed on to the next department.

The issues that I have really been concerned about are that the change of use of this rail line will significantly alter the existing lifestyle and environment currently enjoyed by me, my family and my community. We've all heard how many trains that's going to be. Just think about that: 40 to 50 trains per day, two to three kilometres long each. That's almost continuous freight. The transportation of the freight will not be controlled or managed by ARTC. Once they deliver this freight line, there are no guarantees that it's not going to be hazardous waste, that it's not going to be uncovered waste trains and that it's not going to be double-stacked containers. There's no control. It's whatever contracts are signed later on after it's been put in place.

The impact of this increased freight through the area will result in degraded lifestyle for those living close to the rail line, including the local wildlife and future generations. The land values will decline. At the moment, New Beith is actually a pretty good suburb to have a good quality of life and a good land value to retire on when you get older and you have to downsize. Health risks are going to increase, due to exposure to prolonged noise, vibration and coal dust, if it happens, as well as other contaminants.

The intended destination of this Inland Rail is the port of Brisbane. According to the Port of Brisbane Master Plan, rail access to the port requires upgrading and a dedicated, segregated freight rail corridor to the port, to enable the growth of the port's freight handling. The ARTC is planning to send rail freight to Acacia Ridge, where it will then be loaded onto trucks to be transported to the port. This is going to increase truck movements between Acacia Ridge and the port, creating additional problems for residents and businesses in this area. I actually lived in Acacia Ridge for a number of years and I know the area quite well. I know that the impact is going to be quite huge for that area.

The port of Brisbane operates a 99-year lease and includes foreign ownership, including an Abu Dhabi consortium, meaning the profit sharing goes offshore. The port of Gladstone is wholly government owned and includes the Wiggins Island Coal Terminal and the RG Tanna Coal Terminal, which is the world's fourth-largest coal terminal. The routing of the Inland Rail through to Gladstone instead of Brisbane will impact fewer people and expose fewer people to the inherent issues mentioned.

In Australia we enjoy outdoor living. With respect to this project, many thousands of people along the Kagaru to Acacia Ridge section will have their lives directly impacted by the change of use of this rail line, and that includes people in Forestdale, Algester, Parkinson, Acacia Ridge, Flagstone, Boronia Heights, Greenbank and New Beith. We all have exposure to the rail line.

I've included in the submission, because I think it's quite important, a map which is on the ARTC website which shows the planning for the rail line. That map is a terrain map. What it doesn't show you is the actual residential housing and the people that are affected, so I've also included satellite imagery of the New Beith suburb which shows you all of the housing that is currently in place. It also shows you the location where the Mirvac development is going to be putting in an additional 3,300 residences and the Covella development by Villa World, which is going to put in another 1,500 residences. They're all going to be impacted by this line, over and above the 5,000 people currently just in the New Beith area. I'm not speaking today on behalf of everybody else that is impacted, but from a New Beith point of view this is pretty significant. Those people would really benefit from having access to a light rail line. I've got no issues with light rail, but the heavy double-stacked trains I do have issue with.

ACTING CHAIR: Thank you. I can see the rest of your submission is documented here. You've written to it. You've tabled that. Thank you very much for the amount of work you've put into that. That's terrific.

Ms McKinnon: To make it bearable for you, I'll just take you through a few pictures on my handout. I'm public relations manager with Ivory's Rock Foundation. I was invited today because I couldn't attend yesterday. I feel a little bit like the HR manager who spoke about the poultry farm, wanting to bring a values base to this. The idea of mitigation just will not work when we have a centre—let's just quickly go through photos here. I also feel for Catherine, Alison and Anita, because it's the same thing—it's the impact of the line on people and lives. With my voice here today, I represent probably thousands of people who have been part of creating this very beautiful rural conference centre, first purchased in 1992, with massive development that has come from donations, loans and hard sweat and volunteer effort.

On page 4 we see the incredible beauty of what this place is today. I would have loved you all to have come out. We tried to invite you. We knew it was impossible but we're grateful to at least have a voice with you today. How beautiful this place is. It's a place of peace and wellbeing and humanity. That's what it's built for. It's opening up for many more people from all over the world to come. We have 5,000 now come to international events. We're looking at town planning to see if we can keep growing, to allow many interested people who value peace to value the beautiful nature experience that happens there.

Just a quick overview: six and seven give you some idea of infrastructure development. We've got pavilion areas that are set up for large-scale events, again done with a lot of heart and a lot of effort over 25 years. The ethos of the place is camping. Because of that, the idea of having over 40 trains per 24 hours is inconceivable for us. I sit before you to say, 'What are we doing, bringing this rail line through here, rather than Gladstone, impacting on so many lives and destroying this most beautiful place that I have invested my life in, with great joy and pleasure?'

It is an amazing nature retreat. It has been rehabilitated over the last 25 years. We have koalas. We rehabilitate koalas. We've put in 1,000 trees for fodder for koalas. It's an amazing investment, and I do hope that one day you can come and see it and see what it stands for. It'll be a legacy for our next generation, most definitely—a very beautiful place of 600 acres. Thank you so much. I am the last one of the day, and I very much appreciated a chance to share that.

Senator WATT: I know you all haven't had a huge amount of time, but please be assured that we have read and will read the written documents that you have provided, as well as what you have said. This goes for the other witnesses as well. Certainly the evidence that each of you have provided about your own circumstances reflects that general theme about a lack of consultation, a lack of community involvement and a lack of consideration of alternatives and mitigating circumstances. That is something that has been loud and clear at both hearings, so, even if you didn't get a huge amount of time, it has been taken into account and it reflects those broader themes. Thank you.

ACTING CHAIR: And I think, with the theme of having a commitment from Peter Beattie that this would never be developed, it is really disappointing not to see that committed to.

Senator WATT: I was trying to end the day on a non-partisan note.

ACTING CHAIR: Oh really?

Senator WATT: Others have chosen not to.

ACTING CHAIR: Let's be clear, that was not what he was doing. Thank you very much. We will have to end on that note. If you have any other matters, we could—

Member of the audience interjecting—

ACTING CHAIR: We will take all the evidence. Senators are able to ask questions and to gain further understanding. We will be holding a series of hearings over the next few months. The end date is 30 September, and we will be tabling a report by that time. We will be holding hearings in other states, and by the time we get close to the end we will be able to form some views and some recommendations.

Mrs Waihi: Can I just answer the question that Senator Roberts asked about the local freight hubs outside of Acacia Ridge? I know that Toll has one at Karawatha, which has been put in by Logan council.

Senator ROBERTS: Yes, I said there are a couple around here.

Mrs Waihi: Yes.

Senator ROBERTS: More than a couple.

Mrs Waihi: Yes, there's quite a big one at Karawatha.

ACTING CHAIR: Thank you. That's the end of the committee hearing. Thank you to Hansard and the secretariat.

Committee adjourned at 17:17