



PARLIAMENT OF AUSTRALIA
HOUSE OF REPRESENTATIVES

TONY WINDSOR MP
INDEPENDENT
FEDERAL MEMBER FOR NEW ENGLAND

Shop 5
259 Peel Street
TAMWORTH NSW 2340

All Mail: PO Box 963
TAMWORTH NSW 2340

Ph: (02) 6761 3080
Toll Free: 1300 301 839
Fax: (02) 6761 3380
e-mail: Tony.Windsor.MP@aph.gov.au
Web Page: www.tonywindsor.com.au

Media Release

15 June 2007

Govt has not ruled out New England Inland Rail route

The Inland Rail route via the New England has not been ruled out by the Government despite comments from the Deputy Prime Minister and Minister for Transport and Regional Services, Mark Vaile according to the Independent Member for New England Tony Windsor.

“I believe that an existing rail corridor could be more attractive to ‘commercial interests’ given the New England Local Government’s assessment of the old Northern Line.

“The revised New England option is lower in cost than the more western route and may therefore prove to be more attractive when the corridor usage is taken into account,” Mr Windsor said.

Mr Windsor said that in the Ernst & Young study commissioned by the Federal Government released last year, the total identification of freight which could go on an inland rail route between Melbourne and Brisbane was 4.5m tonnes with a projected doubling by the year 2029.

“On analysis, given that for rail to be competitive with road on a one day delivery basis, it equates to one 6,000 tonne train each way per day with two trains per day by 2029.

Such a low volume could make the lower capital cost identified in the revised New England option, more attractive than the other options.

Given that the Deputy Prime Minister has indicated that the line will not proceed without private sector funding, the private sector will want to look closely at the New England route given that the NELG review of the Ernst & Young report has identified a saving of some \$400m in capital cost to build the line through the New England for the Parkes to Queensland section of the line,” Mr Windsor said.

Mr Windsor points out that there a few issues identified in the Ernst & Young Report that appear to have been glossed over which the private sector will want to look very closely at when they are doing their due diligence process before deciding to invest in the project.

“The Ernst & Young Study made no recommendation with regard to the development of an inland rail link.

The Study demonstrated that NONE of the route options considered were financially attractive under any of the analysis views with all requiring massive financial outlays.

The results indicate that while there will be an increase in freight, to undertake a further significant corridor upgrade requires substantial capital cost that would not be fully offset by the increased freight revenue.

So there’s a long way to go yet and with hard nosed private sector analysis yet to take place, the New England route cannot be ruled out,” Mr Windsor said.

Further information contact Tony Windsor, Ph (02) 6761 3080 or 0427 66 8868