SENATE ESTIMATES PARLIAMENT HOUSE TUESDAY 23 MAY 2023 5PM AEST

OPENING STATEMENT FROM MARK CAMPBELL – CEO AND MANAGING DIRECTOR – ARTC

- Thank you Chair and good afternoon, Senators.
- The Australian Rail Track Corporation welcomes the opportunity to be here today and answer questions from the Committee.
- My name is Mark Campbell, CEO and Managing Director of ARTC.
- Firstly, I'd like to introduce my colleague here today. I have Rebecca Pickering, Acting Chief Executive Inland Rail.
- (Pause)
- Each and every day, ARTC facilitates over 440 train movements across five states.
- Our infrastructure and our dedicated 2,200 strong staff help get goods to market, commodities for export, food to supermarket shelves and people to get home from work to see their loved ones.
- Across the country we support regional economies by providing an efficient network that can move significant volumes of freight and passengers.
- Importantly though, we are not just an operator of an asset.

- Over the past fifteen years we have invested back into our network some \$9 billion in infrastructure improvements.
- We have had support from the Commonwealth Government to upgrade the North-East Rail Line in Victoria, whilst now also delivering projects such as the Botany Rail Duplication, that will deliver real benefits for the freight task across Australia.
- In 2022, our network and operations were subject to flooding across multiple states, and as a result, significant disruption to our network.
- Our investments into network resilience, along with enhanced early monitoring systems for weather events will assist us in the future to manage impacts.
- (Pause)
- I today wish to acknowledge the independent Inland Rail Review, which was conducted by Dr Kerry Schott, now ARTCs interim Chair.
- I recognise that the Review does make for difficult reading in parts.
- Building major infrastructure, particularly a project the size and scope of Inland Rail is a challenging task.
- In her Review, Dr Schott outlined some of the challenges facing the project, such as collaborating with three different state governments, following three different processes for environmental approvals all whilst working with over 35 local governments areas and a diverse group of stakeholders.

- The Inland Rail program, like most other infrastructure projects, has been heavily impacted by inflationary pressures, an incredibly tight contractor market and increases in labour and materials costs.
- It was clear to us in the second half of 2021 that the project was facing cost and schedule challenges - broadly driven by delays, increases to scope and economic factors.
- Shareholding Ministers tasked ARTC with investigating those costs and schedule impacts further during 2022.
- During 2022 significant work was undertaken based on latest information on scope, schedule and cost, and a revised program forecast was finalised in late November 2022.
- Since the release of the Inland Rail Review, we have been working
 with the Shareholder Departments and with Dr Schott's support to
 deliver against the recommendations accepted by the Australian
 Government and we would be happy to provide an update on
 progress today.
- Lastly, I would like to thank our staff at ARTC who have remained focused during the recent multiple significant flooding events and thank the patience and collaboration of our customers and the community.
- Thank you.