

19 July 2013

Dr Kathleen Dermody Committee Secretary Foreign Affairs, Defence and Trade Legislation Committee PO Box 6100 Parliament House Canberra ACT 2600

Email: fadt.sen@aph.gov.au

Re: Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013

I write on behalf of the AustralAsia Railway Corporation (AARC) to provide a submission for consideration of the Senate Foreign Affairs, Defence and Trade Legislation Committee in relation to the Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013. AARC holds headleases over (and sub-leases the corridor to the concession holder Genesee and Wyoming Australia) the railway corridor through the Woomera Prohibited Area which is subject to the proposed legislative changes.

We understand that the intent of the bill is to provide all non-Defence users within the Woomera Prohibited Area and industry with a level of certainty over Defence activity in the area which will allow users to make commercial decisions with some assurance as to when they will be requested to leave the area because of Defence activity. Furthermore, we understand the access regime established by the Bill is intended only to apply to new users of the Woomera Prohibited Area but provides existing users of the Woomera Prohibited Area the option of voluntarily joining the access regime established by these measures. Whilst this initiative to provide greater certainty to all parties is to be commended, the exposure draft of rules to apply to the proposed amended Bill may have some unanticipated consequences for the operator of the railway.

The purpose of this letter is to raise the awareness of the Committee to the reliance of businesses in the NT and SA on the timely delivery of freight including essential supplies. Currently the proposed rules indicate both Green and Amber 2 exclusion zones impact the railway corridor with the effect that access to the railway could be affected for periods of up to 7 days each and up to 10 consecutive occasions per year. This could have the effect of closing the railway for up to a maximum of 70 days at a time which would be unsustainable for the efficient ongoing operation of the railway. Even closures of 7 days at a time would have a significant adverse impact on the ability of the business to meet its contractual obligations to its

GPO Box 1449 DARWIN NT 0801 Australia customers and undermine the intentions of the Commonwealth, State and Territory by forcing time sensitive freight off rail and back on to the road network and adversely impact loading schedules for mining products at loading loops along the corridor.

The reliance of communities such as Alice Springs, Tennant Creek, Katherine and Darwin on just in time deliveries of consumables and produce should not be overlooked with risks to certainty of supply having adverse cost of living implications. Similarly, the ability for exporters to maintain steady supply of products to ports would be potentially at risk by the incorporation of the proposed rules as part of this legislative amendment. The operation of the twice weekly Ghan passenger service which is a major tourist attraction in its own right as well as a significant contributor to meeting the transport needs of the broader tourism sector would also be compromised by such exclusion periods.

Under the current Draft Rules, permit holders may have access denied at the discretion of the Minister and permits are only issued for a period of 7 years after which an application must be made for renewal. This is inconsistent with the operation of a railway which will continue to provide an ongoing interstate transport connection with scheduled and increasing transport services to meet the economic growth in the region. The viability of this essential service should be complemented by the activity at the Woomera weapons testing range rather than be compromised by it.

It is unclear from the Draft Rules whether the standing permission to use the railway will be subject to the imposition of the exclusion periods. We therefore seek your assurance that the operation of the railway is excluded from the Woomera Prohibited Area Rules to ensure that the transportation needs of the State and Territory are met by this essential piece of infrastructure.

Yours sincerel	У
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Chairman