



AUSTRALIAN RAIL TRACK CORPORATION LTD

11 July 2013

- To: Department of Defence Woomera Prohibited Area Coordination Office
[SENT BY EMAIL to WPACO@defence.gov.au]
- To: Committee Secretary
Senate Foreign Affairs, Defence and Trade References Committee
PO Box 6100 Parliament House Canberra ACT 2600
[SENT BY EMAIL to fadt.sen@aph.gov.au]
- Re: **Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013 – effect on the Tarcoola to Darwin rail corridor**
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Please accept this submission in relation to ARTC's freehold ownership of the rail corridor and the business activities of both ourselves and our long-term lessee (Australasia Railway Corporation) and their current rail operator Genesee Wyoming Australia Pty Ltd (GWA).

Background...

As the Tarcoola to Darwin rail corridor passes through the Woomera Prohibited Area (WPA) ARTC and Freight Link were contacted by the Review Team in July 2010 and invited to provide a submission regarding their interests. A copy of the ARTC submission is attached.

A Final Report was released in February 2011 containing 65 recommendations. There is no record that ARTC was notified of the Final Report.

ARTC also attended a workshop on 1 July 2013 which primarily dealt with the permit process for new access arrangements.

The review has led to the introduction of the Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013 and the draft Woomera Prohibited Area Rules, to which we now make comment.

The current amendment to the legislation seeks to open up more of the WPA area to mining interests which is commendable, however it does introduce 'zones' and 'exclusion periods' that we believe could have a detrimental effect on existing rail operations and on future growth including the provision of more train services.

Our reading of the draft rules indicates...

The rail corridor is an existing occupier and has 'Standing Permission' however, the rules allow for the Defence Minister to suspend the use of the railway line when Defence believes that there is a risk to security or safety.

Exclusion Periods apply to new permit holders and for the zone that the rail corridor falls within (amber zone 2) allows for exclusions of up to 10 periods of 7 days each, and the green zone at 8 periods of 7 days each per year.

Our concerns...

Whilst the exclusion periods do not apply to the rail corridor it is logical to expect that if there is a safety issue for new permit holders, there will be a safety issue for Standing Permission occupiers. Hence the Minister may suspend a permission on safety issues.



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Currently 80% of the land transport freight to Western Australia is by rail. A similar percentage applies to freight to Darwin. Exclusion periods measured in days and several times a year are not acceptable.

GWA is concerned that as the legislation and rules currently apply there is a threat that train running will be affected and this will have a flow on affect to ARTC's network, thereby affecting ARTC's revenue as well.

Notwithstanding the railway having status as a Standing Permission occupier, the wording of the legislation and draft rules does not give sufficient comfort that ARTC and its invitees can continue to operate their business unimpeded, given the increased requirements of Defence activities.

ARTC requests you give due consideration as follows...

That there is no undue restriction on the use of the ARTC rail corridor land for legitimate business purposes.

That Defence times its activities to avoid any interference with train operations. (It is usual for rail operators to allow external party activities only at mutually agreed times). Delays of a few hours are tolerable.

and that the legislation (via the draft Rules) recognises and reflects the above by more specific and additional clauses in relation to ARTC and other rail participants as Standing Permission occupiers.

We thank you for the opportunity to respond at this time and to have further discussions. Further correspondence may be addressed to myself or to Mr John Fullerton ARTC CEO.

Yours sincerely,

Angelo Demertzis
General Manager East - West
Australian Rail Track Corporation



[ATTACHMENT]

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5 August 2010

COPY

Government Review of the Woomera Prohibited Area
Secretariat
R7-1-045
Russell Offices
Department of Defence
CANBERRA ACT 2600

SENDER TO KEEP
CS5803018

Dear Sir/ Madam

Re: Government Review of the Woomera Prohibited Area

About ARTC

Australian Rail Track Corporation Ltd (ARTC) is a company under the Corporations Act whose shares are owned by the Commonwealth and overseen by the Minister for Transport and Regional Services and Minister for Finance and Administration on behalf of the Commonwealth. Responsible for negotiating new access to the interstate national track between Brisbane and Perth, ARTC commenced operations in July 1998 with the following charter:

- Improve performance and efficiency of interstate rail infrastructure
- Increase capacity utilisation
- Listen, understand and respond to the market
- Operate on sound commercial principles
- Provide our shareholders with a sustainable return on capital invested

Railtrack Ownership in the Woomera Prohibited Area (WPA) subject area

ARTC owns and operates the rail corridor from Port Augusta to Kalgoorlie and has a boundary with or is in proximity to the boundary of the Woomera Prohibited Area between Pimba and Maralinga (Ooldea Siding)

Between Tarcoola and Alice Springs, ARTC is the landowner, however the land and railtrack which dissects the WPA is leased for a period of 60 years to the AustralAsia Railway Corporation, who in turn sub-lease to Asia Pacific Transport Pty Ltd. Freightlink is the current operating arm of APT. ARTC understands that Genesee & Wyoming Aust. will take over the operations of the line from 1 October 2010.



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ARTC Interests

Freightlink has provided ARTC with a copy of its submission to you and ARTC concurs with contents of that submission as it relates to current and future traffics carried by Freightlink on its train services.

ARTC receives track access fees for those train services on the ARTC Network south of Tarcoola, and therefore our commercial interests will mirror those of Freightlink.

Future best use of the Woomera Prohibited Area.

ARTC is very keen to see rail attract new business and development within the Woomera Prohibited Area.

It is a highly prospective area with new mines built and planned. The rail corridor is well placed geographically to these mines and in the benefits it offers for bulk haulage. We anticipated high use of rail transport for transporting this type of product. ARTC is involved in downstream projects for track work and linking of rail to new port facilities for such traffics (e.g. Port Adelaide 29 Berth and Point Lowly near Whyalla).

Summation

The notes provided regarding the Government Review indicate a desire for an optimal outcome and the ability for mining interest and defence needs to co-exist.

ARTC does not expect that any changes will adversely affect the running of trains over this strategic interstate rail corridor. The notes state that Defence may require additional areas for core activities (thereby reducing the availability for mining tenements). By the same token, areas not required by Defence may in the future become available. The impact of such changes is undefined by ARTC.

We trust that the review will take into account the rail industry's views and we thank you for the opportunity to present these to you.

Yours Sincerely,

Bob Sampson - Corporate Property Manager

Note: please refer to this as the ARTC company submission. The above name and details are not to be publicly associated with this submission.