

IRON BOOMERANG

Top End vision a two-way line

A railway across the north isn't a new idea but this man has money and the vision, writes John Hoyle

SHANE Condon is not a man to be deterred by the world economic downturn. In fact, he sees it as an advantage for large infrastructure proposals such as his Iron Boomerang plan, which envisages a 3300km railway linking the Pilbara iron ore mines in Western Australia with the Bowen Basin coalmines in north Queensland.

Condon says the present financial constraints will reduce labour and other input costs for his project. In 2006 he formed a company, East West Line Parks Pty Ltd, to promote the project and Condon says it is "full steam ahead" despite the economic climate.

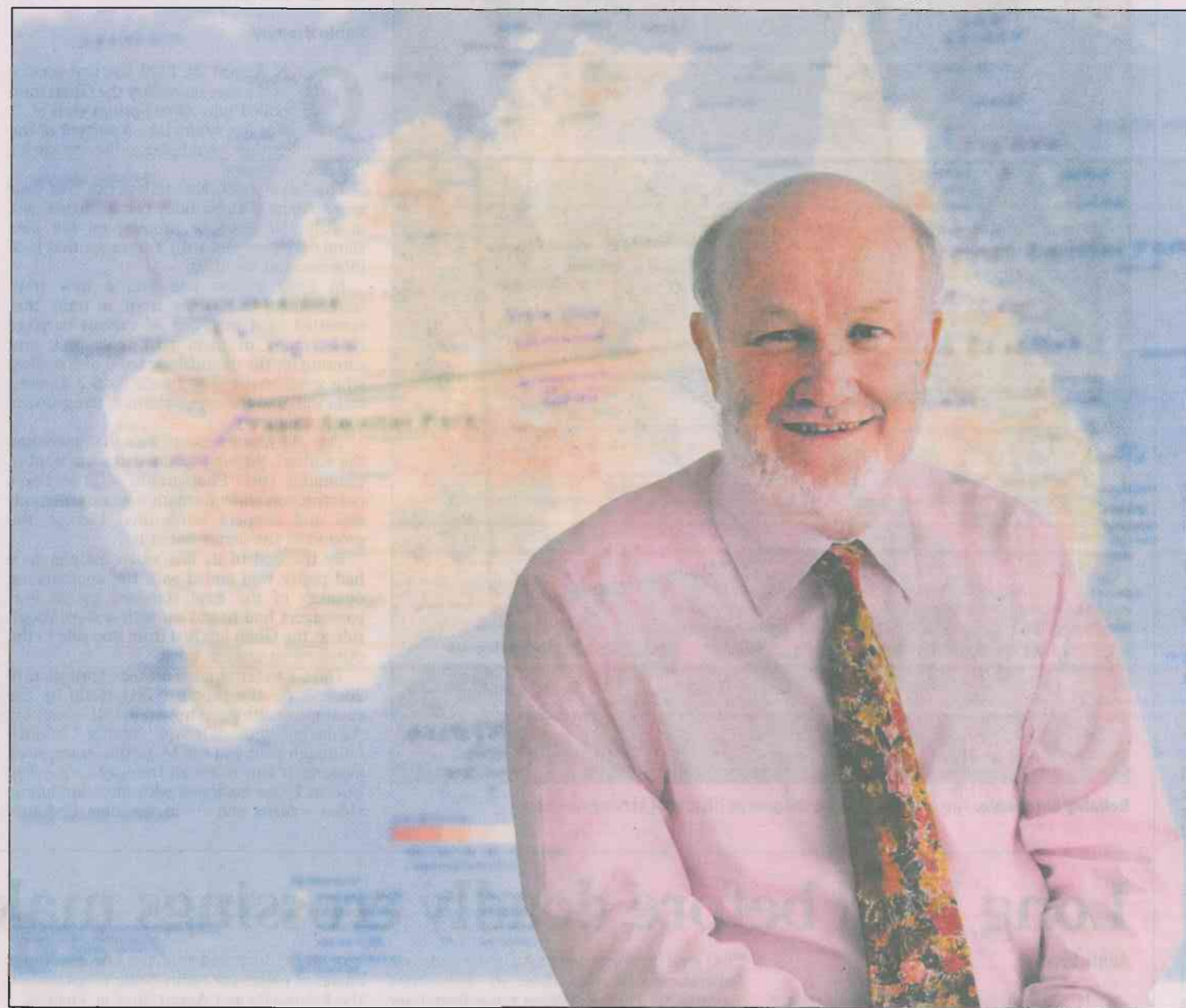
Why does Condon, who has a background in the meat and seafood industries, want to build a heavy-haul railway across Australia? His plan is to send iron ore east to the Bowen area where about six blast furnaces would be located using Bowen Basin coal. The trains would return to the Pilbara region with coal to feed a similar number of blast furnaces built near the iron ore mines.

According to Condon, the key economic plank in his plan is the elimination of inefficient shipping between Australia and other countries, and empty trains running hundreds of kilometres. He says ships are carrying "60 per cent iron and 40 per cent dirt" from Australia, then return empty. Empty iron ore and coal trains running back to the mines would be eliminated.

Ships about one-third the size of those now used would carry slab steel from the Pilbara and Bowen blast furnaces to export markets such as China and South Korea. EWPL is looking at a purpose-built ship design dedicated to carrying slab steel out of Australia and general cargo in the other direction. Condon says the smaller ships will be able to negotiate the Panama and Suez canals, cutting shipping time and costs.

The idea of an east-west transcontinental railway across northern Australia is not new. Former Queensland premier Joh Bjelke-Petersen and iron ore magnate Lang Hancock dreamed of such a line in 1975, but few took the plan seriously. But EWPL is putting money into the proposal and has completed a pre-feasibility study to identify a potential corridor.

The railway would start near the coal export port of Abbot Point, north of Bowen. The steel blast furnaces would be located in a smelter park near this port. Using Queensland Rail's Newlands line corridor and the proposed Northern Missing Link railway alignment, the EWPL railway could be built to a transfer hub near the Riverside mine, north of Moranbah, where coal would be transferred from Queensland Rail's



Big plans: Shane Condon dreams of the day a transnational line runs across northern Australia between the Bowen region and the Pilbara

narrow-gauge trains serving the Bowen Basin into the Iron Boomerang standard-gauge trains for the journey across Australia.

Heading westwards, the railway would pass north of Winton and near Kynuna in Queensland before crossing the Alice Springs-Darwin railway near Ti Tree, about 180km north of Alice Springs. Condon says his railway will tap mineral deposits that could feed into the Darwin railway, boosting its financial performance.

The corridor is projected to skirt south of the Rudall River National Park and finish near Poonda Siding on the Mt Newman railway,

about 50km north of Newman.

The Pilbara blast furnaces would be located near Poonda and connections would be made to the existing Pilbara rail network to allow iron ore trains to access the transcontinental railway.

The railway would have a maximum grade of one in 200 and allow heavy Pilbara-style trains to travel at 80km/h. In 2007 EWPL estimated the railway would cost about \$7.8 billion.

Condon says his railway would be an open-access, but his trains would get priority.

He has visited overseas steel-makers and 19 have signed confidentiality agreements to exam-

ine the project in detail. He is confident they will fund a full feasibility study of the railway and steel-making plants, starting sometime this year.

By 2010-11, Condon hopes, construction work can start and the first trains run in 2014.

This month he is visiting Chinese steel-makers to promote the project and is confident he can obtain financial support. "You just have to work twice as hard to achieve the same result in these times," he says.

John Hoyle is the national affairs editor of *Railway Digest* magazine and the Australian editor of *International Railway Journal*.

INVESTMENT

Our national interest demands we spend

ONLY a few times in Australia's rich history have we been faced with the challenges presently before us. On top of ferocious conditions hurled at us by nature in past months, we entered 2009 with the world in the grip of an economic crisis. The temptation is to shrink from this financial storm, hoarding our savings and stuffing them under the mattress until the dark clouds have gone.

The reality is, there is no more important time to invest heavily in long-term infrastructure projects in the national interest. Whether the present economic conditions are cyclical or a unique set of financial circumstances, the task of building Australia's infrastructure must not be slowed.

It is one of the great historical truths that the construction of the Sydney Harbour Bridge played a significant role in helping Australia drag itself out of the Depression, not simply because of the jobs it created but also the sense of progression and hope it spread throughout the nation. So, too, modern governments must invest in the future through bold infrastructure projects, rail infrastructure chief among them.

All assessments indicate that the market demand for goods transport will double during the next 10 to 15 years. As it stands, the trucking industry will not be able to handle the increase in volume. Fewer Australians are willing to take up a job as a truck driver and this is compounded by the rising price of fuel.

It is therefore vital that rail play a greater role in the Australian logistics framework during the next decade.

If rail is to be a viable option within the logistics market, investment in 21st-century technology and infrastructure must continue in order to reduce transit times, improve reliability and increase line capacity.

Australian Rail Track Corporation is committed to moving rail forward by building a rail network that meets and responds to market demand.

The Rudd Government has declared its support for the resurgence in rail, with the announcement last December of \$1.2 billion investment in ARTC through a range of rail infrastructure projects designed to improve the reliability and competitiveness of the nation's rail freight network.

The investment by the Government will allow a raft of new projects to begin this year on the north-south and east-west rail corridors that will boost capacity and reduce transit times.

In addition, \$580 million of equity investment will be supplemented by ARTC debt raising to expand capacity

DAVID MARCHANT



along the rail corridors connecting Hunter Valley coalmines to the port of Newcastle in NSW. This \$1 billion project will more than double the amount of coal being transported to export markets, from 97 million tonnes to 200 million tonnes a year.

Construction of the Southern Sydney Freight Line began in November last year. This year, construction will be in full swing, with completion targeted for January 2010. This line will separate freight from the urban passenger system in Sydney from Chullora to Macarthur, and overcome the curfew on freight movements in the southern metropolitan area. The line will be connected to the freight line from Chullora to Sydney Ports, and be separate from the passenger system.

Most recently the Government announced the allocation of \$15 million to accelerate planning and design work on the \$840 million investment in a new dedicated freight line between North Strathfield and Gosford, NSW. The construction of a dedicated freight line north out of Sydney is the greatest priority facing rail infrastructure for the entire east coast of Australia.

These projects complement ATRC's investment in innovative rail infrastructure solutions.

ARTC is partnering with Telstra on a \$74 million project using the NextG Network to upgrade to digital locomotive communication systems across all our rail corridors.

ARTC also is investing in an advanced train management system that has the ability to replace fixed signals as traditionally seen in railways with a digital network control system. This enables only one train to have an enforced authority to be on a designated track within the network.

Rail is not the only vehicle to meet the ongoing needs of the Australian logistics market. However, the increase in the amount of goods during the next 10 to 15 years demands that rail step up to the plate and continue its drive to become a value adding asset.

The recovery of the Australian economy demands continued investment in long-term infrastructure projects in the national interest.

David Marchant is chief executive of Australian Rail Track Corporation.