

# Vaile backs inland rail link

Steve Lewis  
Chief political correspondent

NATIONALS leader Mark Vaile has predicted that a massive billion-dollar inland rail project from Melbourne to Brisbane should be up and running within a decade.

The Howard Government will announce an injection of about \$100 million for the "steel Mississippi" during the election lead-up, with the Nationals keen to cash in on its nation-building status.

In an upbeat assessment of the ambitious rail plan, the Deputy Prime Minister yesterday said the project could be "commercially viable" with the private sector expressing strong interest.

John Howard has also backed the rail plan, which is estimated to cost more than \$3 billion and would be one of Australia's biggest engineering projects.

Mr Vaile, who is also the Minister for Transport, told *The Australian* there was a clear "imperative" to progress the scheme so that it could meet Australia's future freight demands.

"My view is that it is going to be necessary to be operative and running by 2019 because of the expansion of the freight task," Mr Vaile said.

The funding forms part of the \$22.3 billion AusLink II package, announced by Peter Costello last Tuesday.

The funding injection, which could stretch to about \$120 million, will allow the Government and the project's backers to carry out essential scoping work and to begin the process of land acquisition along the preferred route.

The brainchild of Brisbane businessman Everal Compton, the inland rail scheme will run from Melbourne up to Albury, then to the NSW freight hub of Parkes, before continuing to the Darling Downs and then to Brisbane.

THE AUSTRALIAN MONDAY MAY 14 2007

4  THE NATION

"There is funding in AusLink II to carry this forward to the next stage," Mr Vaile said.

"We don't know what it is going to cost. We have to manage it to the next stage. (But) there is an imperative to do this."

The project will require private sector backing, through a public private partnership (PPP) formula.

Macquarie Bank has been involved in the early planning stages of the rail project, which has been shopped around Canberra for the past decade.

Mr Compton, described as an "amazing bloke" by the Prime Minister, argues the rail scheme will revitalise the inland economy and provide a much-needed freight route to improve Australia's export performance.