

Kingaroy to Theebine Rail Trail Feasibility Study and Business Case

Executive Summary

Rail trails defined

A *rail trail* is a closed railway line which is converted to a recreation trail - usually for non-motorised activities such as walking, cycling and horse riding. Typically, any rail infrastructure which cannot be modified for recreation trail purposes is removed and the remaining structures are converted for the intended recreational uses. Rail trails do not include *historic railways* which operate superseded railway engines and rolling stock on otherwise unused rail lines.

Theebine to Kingaroy railway line history

- Construction of the 132 kilometre Theebine to Kingaroy rail line started at Theebine in 1895, reached Kingaroy in 1904 and Nanango in 1911. Branch (or “spur”) lines were subsequently constructed from Murgon to Proston, Kingaroy to Tarong and Murgon to Windaera. In 1961, the Nanango to Kingaroy line and the various branch lines were closed. In December 2009, the Department of Transport and Main Roads closed the Theebine to Kingaroy rail line as part of the Queensland Government’s *Branch Line Rationalisation Initiative*.
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- About one third of the Theebine to Kingaroy rail line (the sections between Kingaroy and Manyung) is in the South Burnett Regional Council area. Between Wondai and Murgon, the rail line forms the western boundary of the Cherbourg Aboriginal Shire Council area. The remainder is in Gympie Regional Council area. Refer to Map 1 on [page #](#). Note that about 1.5 kilometres of rail line and corridor land between Theebine and Old Gympie Road is retained by Queensland Rail Limited for development as a shunting yard and maintenance facility and is not available for re-development as rail trail.

Purpose of this report

This study assesses the feasibility of redeveloping the closed Kingaroy to Theebine railway line, and associated land corridor, as a rail trail. In this report, the potential rail trail is called the *Kingaroy to Theebine Rail Trail*. This feasibility study is intended to inform further community consultation and decision making by the affected local governments and relevant State agencies.

Project steering committee

A steering committee consisting of representatives of the Department of Transport and Main Roads, Department of State Development, Infrastructure and Planning and South Burnett Regional Council has managed the development of this feasibility study.

Policy and planning context

The Queensland Government recognises tourism as one of the *Four Pillars* of Queensland’s economy. Development of this rail trail would stimulate new tourism business opportunities in the South Burnett and Gympie regions. Both regions are within 2.5 hours travel time of South East Queensland where there is significant demand for trails-related tourism opportunities from a population expected to grow from 3.2 million in 2011 to 4.4 million by 2031. The market segments related to trails-based tourism are listed in Table 1.

Table 1: Tourism markets relevant to the proposed Kingaroy to Theebine Rail Trail

Farm Stay	Country Destination	Adventure	Bed and Breakfast
Grey Nomads	Wildlife Watching	Nature-Based	Landscape Appreciation
Bicycle	Caravan and Camping	Eco-tourism	Adventure Racing
Bushwalking	Railway Heritage	Horse Riding	Pack Animal Assisted

Organisations that have planning documents which recognise the potential for re-development of this rail line as a *rail trail* include:

- Tourism Queensland in *the South East Queensland Country Tourism Opportunity Plan 2009-2019* (page 20)
- Department of Transport and Main Roads in the *Queensland Cycle Strategy 2009-2021* (page 76) and the *Wide Bay Burnett Integrated Transport Plan Discussion Paper 2007* (pages 14 and 27)
- The Department of State Development, Infrastructure and Planning in the *Wide Bay Burnett Regional Plan September 2011* (Program 2.5.6 on page 66)
- In the *Wide Bay Burnett Regional Recreation and Sport Strategy April 2010* (Page 51)
- by South Burnett Regional Council through planning and membership of the Kingaroy to Theebine Rail Trail Steering Committee and in their Community Plan.

The demand for trails-based tourism from South East Queensland, other major Australian cities and internationally is well understood and growing. Similarly, the physical, psychological and social health benefits of participation in trails-related activities, such as walking, cycling and horse riding, are significant and well known.

There is significant potential added value if, in the long-term, the proposed Kingaroy to Theebine Rail Trail is connected to existing sections of the Brisbane Valley Rail Trail at Yarraman and Blackbutt, the Bicentennial National Trail at Kilkivan and the proposed Maryborough to Hervey Bay Rail Trail to create a long-distance multi-use trail network of international significance. This 600 kilometre "Great South East Trails" network would connect the internationally recognised tourist destinations in the Queensland-New South Wales border ranges, to those in the Hervey Bay and nearby Great Sandy region, including Fraser Island.

Current situation

South Burnett Regional Council, the Department of State Development, Infrastructure and Planning and the Department of Transport and Main Roads are partners in preparing this feasibility study.

Subject to future decisions by Council and depending on future funding, there is strong interest from South Burnett Regional Council in the development of the rail trail between Kingaroy and Murgon. South Burnett Regional Council is keen to build on their successful development and management of the Brisbane Valley Rail Trail from Linville to Nukku which has been a significant driver of economic development in the Blackbutt district.

Gympie Regional Council is concerned about cost of development and management of the proposed Kingaroy to Theebine Rail Trail within their area. Given these concerns, Gympie Regional Council declined the offer to be a partner to this feasibility study.

Most of the former Kingaroy to Theebine rail line infrastructure (including rail station platforms, signs, signals, ballast and bridges but excluding rail lines and sleepers) can be redeveloped for use as a rail trail. These rail assets have been purchased by the Department of State Development, Infrastructure and Planning from Queensland Rail Limited for their heritage value and for conversion to recreation trail use. These publicly-owned rail assets (**Listed in Appendix #**) will need to be protected from theft or damage and maintained. The remaining rail assets are being removed under a 'salvage' contract managed by Queensland Rail Limited. This salvage contract started in early 2012 and is expected to be completed in 2013.

Community consultation

Community consultation was not undertaken for this feasibility study. However, the proposal to develop this rail trail has been discussed by the affected local communities and by local and State government representatives since at least 2007. Local community support for development of the proposed Kingaroy to Theebine rail trail has not been formally tested. Future community consultation in the three directly affected local government areas and

negotiation between these local governments and the relevant State agencies will be necessary to confirm support for development and management of the Kingaroy to Theebine Rail Trail.

Synthesis

To achieve the intended economic outcomes, sequential development of rail trail sections, providing for a mix trail uses, is proposed. These uses include half-day to full-day options for cycling, walking or horse riding, supported by hotel, motel, bed and breakfast or camping options at the start and finish of each section. It is recommended that sequential development of the rail trail proceed from Kingaroy toward Theebine with Kingaroy to Wooroolin as the first section of for conversion to rail trail.

The proposed Kingaroy to Theebine Rail Trail has the potential to generate diverse business opportunities. Cycling (both family-friendly short distance trips and longer distance touring) is expected to be the rail trail's main use. Walking will be concentrated close to, or between Kingaroy, Wondai and Murgon and the intervening smaller townships. Horse riding is expected to be focused between Goomeri, Kilkivan and Theebine. Over time, it is expected that 'side trips' or local trails will develop from the rail trail to nearby attractions and facilities.

Based on the known economic outcomes from the successful Otago Central Rail Trail in New Zealand, rail trails in Victoria and South Australia and long distance eco--tourism and adventure tourism trails in Western Australia and Tasmania, the Kingaroy to Theebine Rail Trail can deliver outcomes of the Government's *Tourism Strategy* by increasing overnight visitor expenditure in regional Queensland. Long distance recreation trails, such as the Kingaroy to Theebine Rail Trail, are "catalyst" infrastructure for regional tourism growth.

Since 2006, South Burnett Regional Council has developed and managed the Blackbutt to Linville section of the Brisbane Valley Rail Trail. This responsibility was extended to Nukku in 2010. This council has demonstrated ability to develop and manage the Kingaroy to Theebine Rail Trail within their local government area supported by funding for capital works from State Government.

Gympie Regional Council will have a key role when consideration is given to extending the Kingaroy to Theebine Rail Trail into their area. Cherbourg Aboriginal Shire Council, and the Cherbourg community, may have interests in the training and employment opportunities arising from construction and management of the rail trail, expanded or new tourism enterprises and the potential to develop a recreation trail link from the rail trail at Murgon south to Cherbourg. Both Gympie Regional Council and Cherbourg Aboriginal Shire Council should be engaged as partners in planning, investment, development and management for this rail trail.

Funding

Current

Funding of \$1 million is currently available from the Department of Transport and Main Roads for a suitable entity to develop the proposed Kingaroy to Theebine Rail Trail. No other currently available funding for development of the proposed rail trail has been identified.

Future funding options

To cover the costs of developing and managing the Kingaroy to Theebine Rail Trail, an innovative partnership approach to attract funding and investment is proposed. The components of this partnership and sources of public sector funding and options for private sector investment could include:

- Planning scheme provisions which give effect to the relevant provisions of the *Wide Bay Burnett Regional Plan 2011* (Principles 2.4.1, 2.5.1, 4.2.1 and 5.1.1; Policies 4.2.5, 4.2.6, and 5.1.4; Programs 2.4.8 and 2.5.6) by identifying the significant tourism potential of the Kingaroy to Theebine Rail Trail for the region, including opportunities for investment
- Capital works funding for construction of principal cycle networks and for development and maintenance of rail corridors by the Department of Transport and Main Roads;
- Existing Commonwealth, State and Local government investment or funding programs aimed at the recreation, natural resource management and/or tourism sectors including:

- grants through the *Sport and Recreation Infrastructure Program* which is administered by the Department of National Parks, Recreation Sport and Racing;
- grants through the Local Government Grants and Subsidies Program administered by the Department of Local Government;

These programs are typically administered through service-level agreements or other contractual arrangements based on approved detailed action plans

- Tourism, community and social infrastructure offsets for major resource projects
- Private sector investments in tourism facilities and services
- Corporate sponsorships
- Philanthropic contributions

Key findings

1. Feasibility is confirmed

This analysis of the proposed Kingaroy to Theebine Rail Trail has confirmed the technical and economic feasibility for redeveloping the closed Kingaroy to Theebine railway line as a recreation trail for walking, cycling and horse riding. Those sections of the proposed rail trail through towns will concurrently be used for:

- recreational walking, cycling and horse riding
- commuter walking and cycling
- community events such as fun runs

2. Estimates of Kingaroy to Theebine Rail Trail use and associated tourist expenditure

A conservative estimate of outcomes suggests that the proposed Kingaroy to Theebine Rail Trail has the potential to:

- Attract an estimated at **50,000 trail users/visitors per year** within 10 years, expanding to **70,000 trail users/visitors per year** within 15 years
- Be a “catalyst” tourism infrastructure project which stimulates new markets and business opportunities in the South Burnett and Gympie regions
- Attract significant numbers of visitors from South East Queensland and interstate including users of nearby existing recreation trails such as the sections of the Brisbane Valley Rail Trail between Yarraman and Moore.

Tourist visitation is expected to increase as sections of the proposed Kingaroy to Theebine Rail Trail are completed and opened. Based on the outcomes from comparable rail trails, within 10 years after developing and opening the entire 130 kilometre rail trail, **50,000 trail users/year** can be expected. Assuming a low/medium expenditure scenario, the resulting estimated visitor-spend) is **\$1.5million/year**.

3. Tourism infrastructure and associated tourist markets

By attracting more tourists from several different market segments, the proposed rail trail could make a significant contribution to the tourism profile and economy of the South Burnett and Gympie regions. Increased demand for accommodation, food, beverages, transport services and guide services will generate jobs, investment and growth in towns and rural communities.

Given the forecast low/medium visitor-spend, the potential spend over 10 years is **\$15million**. However, this is expected to grow to **\$30million** after 15 years assuming the rail trail is completed, marketing campaigns mature and businesses expand to meet demand.

The variety and capacity of existing tourism enterprises and facilities vary significantly along the Kingaroy to Theebine rail corridor. The section from Kingaroy to Murgon is well served by existing hotels, motels and other accommodation options; retail equipment providers; and food and beverage providers. However, from Goomeri to Theebine the rail corridor has a more

remote rural character with few existing accommodation, camping and day use facilities or other tourism services.

Some tourists will prefer the relative remoteness of this section, while others will seek the more developed sections between Kingaroy and Murgon. The limited tourism infrastructure between Goomeri and Theebine can be addressed in the context of future business opportunities for tourism service providers. This may be significant for nearby rural landholders as there will be opportunities to augment farm incomes by providing accommodation, food, equipment hire and repair and guiding services – as has been demonstrated from rail trails and other long distance recreation trails in Victoria, South Australia, Western Australia and New Zealand.

Given the available evidence, it is reasonable to expect that development of the Kingaroy to Theebine Rail Trail will provide significant economic benefits for near-by communities from additional expenditure by residents and new expenditures by visitors with consequent local job creation and new business opportunities.

To increase these positive economic effects, integrated marketing of the KTRT with established local attractions such as the Bunya Mountains National Park and Lake Boondooma and Lake Barambah, and drive-tourism initiatives such as the “Great Bunya Drive” is needed. This also applies to ‘in transit’ visitors travelling through the South Burnett region to destinations nearby such as World Heritage listed Fraser Island or other high profile coastal locations.

4. Expected uses

Within all the towns and smaller centres through which the proposed rail trail passes, a mix of outdoor recreation-based tourism and local recreation and commuter uses is expected. Sections near each of the major townships (Kingaroy, Wondai and Murgon) are suitable for designation as part of the Department of Transport and Main Road’s *cycle networks* and can be integrated with local cycle networks.

Elsewhere, the preferred uses are likely to be a mix of horse riding, cycling and walking. Interactions between these different uses and users can be managed by design, signage and pre-visit information. In the sections of the rail trail which have sufficient demand for non-motorised commuter use, or are designated as part of a cycle network, a higher standard of trail construction than elsewhere may be justified. Planning and funding for construction of commuter cycle networks will be done by the Department of Transport and Main Roads.

5. Capital and recurrent costs

The estimated capital and recurrent costs for the Kingaroy to Theebine Rail Trail (*in 2012 dollars*) are:

- ***Trail construction***
\$5-7million over 10 years (\$500-700k/year; \$38,000–54,000/km)
- ***Trail and corridor maintenance***
\$2million over 10 years (\$200k/year; \$1,538/km/year)
- ***Combined trail construction and corridor maintenance***
\$7-9million over 10 years (\$700k- \$900k/year)

6. Staged development

It is recommended that the Kingaroy to Theebine Rail Trail be developed sequentially in the stages outlined in Table 2. Estimated construction costs for each rail trail section are also provided in Table 2.

Table 2: Kingaroy to Theebine Rail Trail and related trails – sections, local, governments and estimated construction costs

Section #	Local Government	Section Name	Length (km)	Trail type	Estimated construction costs (in 2012 dollars)
1	SBRC	Kingaroy to Murgon	43		\$1.25 - 1.8 million
		Kingaroy to Wooroolin	16	rail trails	\$610,000 – 860,000
		Wooroolin to Wondai	14		\$530,000 – 760,000
		Wondai to Murgon	13		\$500,000 – 700,000
2	SBRC & GRC	Murgon – Goomeri	20	rail trail	\$760,000 – 1.1 million
3	GRC	Goomeri – Kilkivan	30	rail trail	\$1.2 - 1.6 million
4	GRC	Kilkivan – Woolooga	19	rail trail	\$725,000 – 1.0 million
5	GRC	Woolooga – Miva	18	rail trail	\$680,000 - 975,000
6	GRC	Miva – Theebine	5	local roads	\$190,000 – 270,000
7	GRC	Theebine - Gunalda	7	local roads	\$260,000 – 380,000
Total					\$5 – 7 million
	SBRC & TRC	Yarraman to Nanango	21	stock routes and local roads	Not costed for this project
	SBRC & TRC	Blackbutt/Benarkin–Nanango	25	stock routes and local roads	Not costed for this project
	SBRC	Nanango – Kingaroy	25	local roads	Not costed for this project
	CASC	Murgon – Cherbourg	6	local roads	Not costed for this project
SBRC	South Burnett Regional Council	GRC	Gympie Regional Council		
CASC	Cherbourg Aboriginal Shire Council	TRC	Toowoomba Regional Council		

7. A catalyst tourism infrastructure project

The Kingaroy to Theebine Rail Trail is 'catalyst' tourism infrastructure that will stimulate market diversification and growth especially if linked to existing and proposed regional trails to create a world class 600 kilometre "Great South East Trails" network including the:

- Bicentennial National Trail at Kilkivan
- Brisbane Valley Rail Trail at Yarraman and Blackbutt via Nanango
- trails for bushwalking, horse riding, mountain bike riding, four-wheel driving and trail bike riding in national parks and state forests in the upper Brisbane River and upper Mary River catchments

- Great Walks in the national parks of Fraser Island, Cooloola, Sunshine Coast hinterland and Conondale Range
- proposed Maryborough to Hervey Bay Rail Trail
- Boonah to Ipswich Trail

8. *Cost-benefit*

Assessment of the economic potential of the proposed Kingaroy to Theebine Rail Trail shows a **modest cost-benefit ratio in favour of benefits**, most of which are attributed to the Kingaroy to Murgon section. Of the entire Kingaroy to Theebine Rail Trail, this section has the three largest local population centres and most of the existing tourist infrastructure – much of which has unused capacity. This section also has the highest potential for use by local residents. This assessment is based on established methodologies to predict local resident and visitor spending patterns and the investments needed to achieve the highest return.

Investment in the proposed Kingaroy to Theebine Rail Trail has the lowest economic opportunity cost of all other tourism initiatives proposed for the *South East Queensland Country Tourism Opportunity Plan 2009-2019* region because of the diversity of tourism objectives that could be met.

Feasibility Study Partners

- Department of Transport and Main Roads
- Department of State Development, Infrastructure and Planning
- South Burnett Regional Council

