

CONNECTING

Lilydale Falls to
Scottsdale
THROUGH SOME OF

Tasmania's finest scenery and small villages.



## THE CONCEPT

The proposed rail trail extension will travel 40kms from Lilydale Falls to the old station at Scottsdale where it will join the completed section of trail from Scottsdale south east to Billycock Hill.

The proposed trail builds on NE Tasmania's reputation as a cycling destination and adds significantly to the product base.

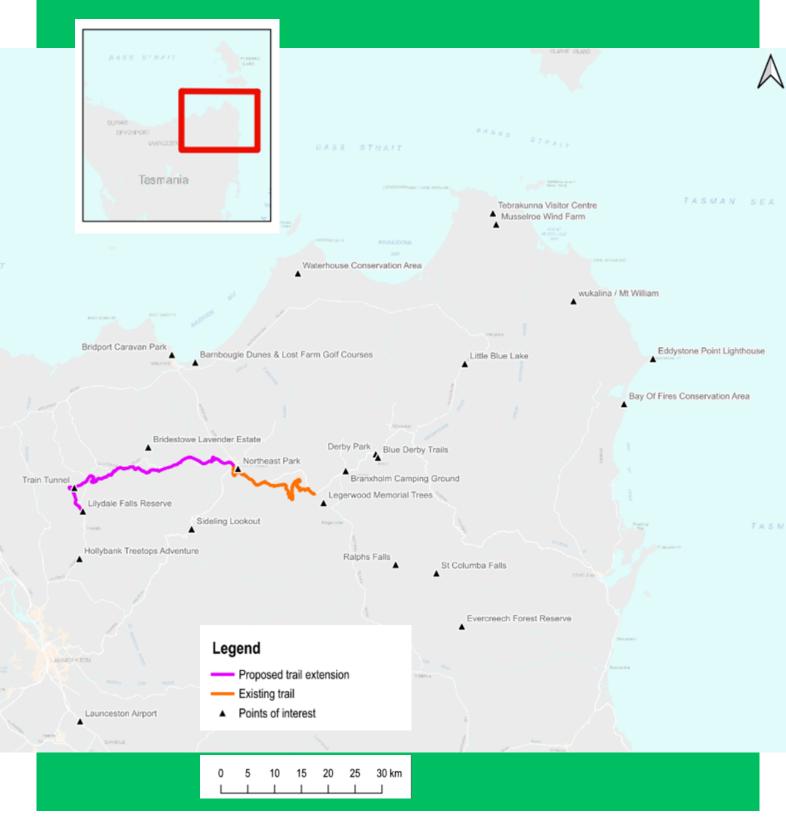
The entire proposed trail will be in the order of 66km long when completed - providing the market with an easily consumable trail experience over two days (some can do it in one day should they choose).

Highlights include the 700m long tunnel and the proximity of the trail to many small communities, each with their individual character. The region is also famous for food and wine and the trail presents an opportunity to increase access to and exposure of the region's epicurean offering.

The business case on which this prospectus and investment summary is based provides insights into the current visitor economy and the markets that are likely to use the trail. Additionally. it provides strong evidence of cycle tourism economy benefits it can bring regional communities when done well.

The growth in cycle tourism has in part occurred due to the rise in popularity of e-bikes. The technology allows people who had not ridden previously, or who had given up cycling, to come back into the market and explore trails around the world such as the North East Tasmania Rail Trail.

# OVERVIEW MAP: NORTH EAST TASMANIA PROPOSED RAIL TRAIL DEVELOPMENT



## DETAILED TRAIL MAP: NORTH EAST TASMANIA EXISTING AND PROPOSED TRAILS



## THE TRAIL BENEFITS & COSTS

## THE CREATION OF NEW EXPERIENCES & PRODUCTS:

- Developing approx. 40km of new rail trail on the disused rail alignment between Lilydale Falls and Scottsdale
- Adding to the existing 26km of rail trail to create a 66km trail that will have strong and unique experiences attached to it including 700m long rail tunnel thought to be the longest rail trail tunnel in Australia
- The proposed trail can be anchored in Scottsdale with riders choosing to stay, and eat in the region
- The proposed trail showcases some of the region's finest scenery and builds on the reputation of NE Tasmania as a cycling destination.

## CREATING DEMAND FROM LOCALS AND TOURISTS:

Based on a range of conservative assumptions and Tourism Research Australia data, a range of user estimates are derived in the business case.

Trail users are segmented into local users (Dorset and Launceston LGS's) and tourist users:

- Year 1 is projected to have 21,469 total users, with 12,190 being local users and tourists accounting for 9,279 of the trail's users
- By year 10, total users are expected to have grown to around 39,500 users (20, 561 locals and 18,951 tourist users)
- The growth occurs with the increased interest in cycling by locals and tourist visitors and the promotion of the trail experience.

#### WILL BRING ECONOMIC BENEFITS

During the construction of the trail (option 1 - unsealed trail) a total 13.3FTE jobs would be generated (10.3 FTE direct jobs - 3.0 FTE indirect/induced jobs). For total jobs, 4.4 are in onsite decommissioning of rail infrastructure on the proposed trail and 8.9 are associated with trail construction and other construction activities (bridge upgrades, crossings and tunnels etc).

During the construction period a total \$1.488M in regional income would be generated in the Dorset and Launceston regions (\$1.299M direct income and \$0.189M indirect/induced).<sup>1</sup>

Trail users and their spending in the region will have a major impact and generate an increase in jobs and regional income.

- The analysis shows the total jobs (direct and indirect/induced) generated in the region by the operations of the trail. The number of jobs increase as the trail is promoted and recognised, and businesses develop servicing the trail (e.g. bike hire)
- Total jobs increase from 25.1 FTE in year 1 to 43.8 FTE jobs in year 10. The jobs are generated by the spending of trail users while they are in the region. The increase reflects the progressive growth in trail users over the period and includes direct and induced jobs across all sectors.

#### **COSTS AND BENEFITS ARE:**

- The total costs of the trail over 10 years including maintenance are \$5.443M
- The benefits of the trail comprise an increase in regional income, health benefits due to the reduction in health costs associated with exercise, the valuation of the trail experiences based on a shadow price (per trail user), and the improvement in productivity for persons in employment associated with exercise on the trailand they total \$44.277M
- The cost benefit for the trail over a 10 year period (it would be higher if measured over a longer period due to the asset life of the trail) is 5.6 using a 7% discount rate.

<sup>&</sup>lt;sup>1</sup>This assumes the contruction workforce would come from the region and adjacent areas.

## WHY THIS PROJECT AND WHY NOW?



Aligns strongly with State and Regional plans, strategies and policies that currently exist.



Capitalises on global trends that have emerged since COVID.



Existing and growing market of potential users.



Provides for safer and sustainable cycling transport options for residents as well as visitor economy benefits.



Builds on the demonstrated success of cycling in North East Tasmania.



Planning pathways are available to deliver much of the trail without significant issues and it could start relatively quickly.





