

Good Morning Ladies and Gentlemen,

Peterborough's existence in the southern Flinders Ranges is due the railways and dates back to 1870 when Peterborough gradually developed into South Australia's major regional railway hub.

In the mid twenties a huge railway depot with a roundhouse, workshops, and a turntable was built and Peterborough's population grew to around 6000 people, of which approximately 1300 were directly employed by the railways. In its heyday, around 100 trains per day ran through Peterborough. The standardization of the three gauges in Australia, the change from Steam locomotives to Diesel slowly undermined Peterborough as a Railway hub. By the early 1990's the entire facility closed down with many job losses. Peterborough's population dropped to the present number of around 2000. Residents.

A group called Steamtown Preservation Society was formed and they took on the job to preserve restore and operate historic railway equipment, but by 2001 due to the effect of 9/11 and the rise of public insurance related issues, money was running out and the Society disbanded.

Council conducted a feasibility study for the grounds and the report which came back offered 3 options: the first was to continue the operation of Steam trains but that came with a price tack of \$3 million to be invested into the dilapidated track alone which was out of range; the second option was to close down the entire Railway depot and sell off all rolling stock; the 3 option was to sell off some of the not needed rolling stock, and the dilapidated track and re invest the money into a first class Rail Heritage Museum, which Council opted for.

In December 2004 Council called a meeting of interested parties, i.e. South Australian Tourism Commission, Regional Development Board, Department of Environment, the Heritage Department, local MP's etc.

Council had \$200K in cash and asked for meaningful assistance.

As a result of that \$200K came from the State Government, plus freehold title to the roundhouse, turntable and the Diesel shed etc. ownership of a very large shed in Peterborough West, salvage rights to 57km track. Conditioned on Council remediating the yards, Government will monitor the ground water. The Eurelia track was used by the Steam society under license to the Federal Government. This was later transferred to the State. However it took about 4 years for this to occur and was most frustrating and held up the whole development.

\$200k was also received through Regional Partnership funding program from the Federal Government.

Therefore a total cash was \$600k, the sale of the Peterborough West shed delivered \$125K and salvaging the track earned \$841K, plus \$50K for rationalizing the rolling stock, all up a sum of \$1.6 million

In November last year the work was completed with upgraded display facilities, a reception and retail outlet added and the development of South Australia's first Sound and Light Show; daily guided tours are now on offer and evening functions to watch the sound and light show. The after dark spectacle is aimed to encourage visitors to extend their stay and stay overnight. Part of the strategic plan was to employ a full time staff member managing, and marketing the facilities to its full potential and it is anticipated that within three to four years Steamtown Heritage Rail Centre will be self funded. The target market for Steamtown is the domestic and international touring market, the grey nomads, the special interest market, coach operators, the school and education market, the social group market etc.

The first few months are already very encouraging; with record numbers of people coming through the gates. Coach operators are now changing itineraries and staying one night in Peterborough to watch the sound and light show. This is injecting valuable dollars into the local economy. Steamtown is already looking to expand its operation through the set up of a coffee shop operated by private enterprise plus employing paid tour guides to manage the flow of visitors which will provide more employment opportunities in town. We believe that by developing and marketing Steamtown as a major tourist attraction Peterborough's other tourist attractions in the township and in the region will benefit. We expect overall visitation and tourism expenditure will increase substantially and pouring valuable tourism dollars and jobs into the local economy and gives Peterborough the much needed new economic base this time The Eurelia track was used by the Steam society under license to the Federal Government. This was later transferred to the State. However it took about 4 years for this to occur and was most frustrating and held up the whole development through tourism.

Let me now show you now in a brief DVD to what Steamtown has developed in to. This DVD is the courtesy of Channel 9 – Postcards, which was filmed a month ago.

Thank you very much