

GRAIN FREIGHT NETWORK — FUNDING

976. Hon KEN TRAVERS to the Minister for Transport:

I refer to the minister's previous advice that a number of tier 3 lines will become unserviceable at the end of this financial year and his announcement on Monday that funding to upgrade grain freight network roads will occur over the next four years.

- (1) How does the government intend to manage the grain freight task over the next four years until all the roads are upgraded?
- (2) Has the government developed a priority order for upgrading grain roads; and, if yes, when will the minister make this order public?

Hon SIMON O'BRIEN replied:

- (1) I think there are two key elements to the member's question. The first relates to what we might call transitional arrangements as the use of what are generally described as tier 3 lines winds down as we lose customers from those lines. As I have indicated to the house on a number of occasions, we want to provide alternatives. If people are going to carry their grain by road instead of rail, that freight task has to be managed. We are doing it in a couple of days. We are prolonging the utilisation of several of the tier 3 lines by virtue of a transition assistance payment, which equalises the cost per tonne between a road and a rail option to move grain from a particular point. The provision of money for those payments was announced earlier this year, and some further dollars were announced last Monday. One of the purposes of the transition assistance payment is to enable some time to be taken to upgrade certain roads in those same locations in anticipation of those key trunk roads being used for the local freight task. A total of \$118 million was also announced on Monday for the upgrading of those roads. That includes both state roads and local government roads.
- (2) The prioritisation of that grain freight task is not yet finalised. It will be worked out in consultation with local governments, a process that is happening now. The Western Australian Local Government Association is also undertaking a central responsibility to liaise for this purpose. Either way, whether it is the transition assistance payment, the \$118 million in road funds or the \$187 million in rail upgrades, it is money that this government is investing in the future of the narrow gauge grain network and every cent of it is money that the previous government never put in.