

GRAIN FREIGHT NETWORK

Statement by Minister for Transport

HON SIMON O'BRIEN (South Metropolitan — Minister for Transport) [3.01 pm]: Yesterday, I announced a \$178.8 million investment package from the state government to bolster Western Australia's grain freight network. Importantly, this decision secures the federal government's funding commitment announced in the 2010–11 federal budget of \$135 million, which brings the total investment in the grain freight network to \$352 million over four years when combined with previously committed state funds. This package will underwrite the project to upgrade the state's network of rail lines and roads used to transport grain for export from Wheatbelt farms, while ensuring that the majority of grain freight remains on rail. This massive upgrade to the grain freight network will improve the efficiency of grain transport, resulting in lower costs for farmers, and will demonstrate the government's commitment to the long-term continuity of the grain industry and rural communities. From a community safety perspective, a robust rail freight network means fewer heavy vehicles on our country roads, making it safer for all road users.

The investment program includes: \$187.9 million for re-sleeper works and rail siding upgrades on the state's most competitive grain freight lines; \$118.3 million for improvements and maintenance to Wheatbelt roads; a \$14.6 million transition assistance package to ensure rail transport remains competitive with road transport; and \$500 000 for a study into options for a new rail link from Brookton to Kwinana off the Avon–Albany line. The investment package targets 1 400 kilometres of railway line. Although there will be no line closures, non-economic lines will be placed into care and maintenance.

The last time a major upgrade was made to the grain freight network infrastructure was in the 1990s under the previous coalition government. This is an investment in the future of Western Australia's grain industry, which annually produces an average of more than 11 million tonnes of grain worth more than \$4.5 billion a year. Although this year's harvest is expected to be halved as a result of the ongoing dry conditions, this is an investment for not only the present, but also well into the future. It is also an investment in world food security, with much of Western Australia's grain being exported to countries like Indonesia, Japan, China, Iran and Saudi Arabia. The plan follows recommendations from the strategic grain network review committee and has the backing of industry. I thank those who have made contributions through the planning stages that have led to this very significant decision.

In the 2009–10 financial year, the state government developed a business case for the grain freight network that identified the steps needed to ensure the grain freight network's future, and what funding would be required and when. I am pleased to see the recommendations of the business case being put into action.

Local communities across the Wheatbelt, particularly those with uneconomic rail lines that are likely to be placed in care and maintenance, are vitally interested in the program of works announced as a key element of this package. For the information of members I provide a summary of roads identified for upgrade. The timing of these roadworks is related to the progressive withdrawal of railway lines and subject to discussion with local government. Similarly, I provide a summary of railway projects that will be worked into a schedule of works during discussions with the rail operator WestNet Rail. I will keep members informed of progress. I now table the two summaries.

[See paper 2823.]

Consideration of the statement made an order of the day for the next sitting, on motion by **Hon Ed Dermer**.