

GRAIN RAIL FREIGHT NETWORK — FUNDING

3228. Hon Ken Travers to the minister representing the Minister for Transport

I refer to the Government's announcement yesterday that it has allocated funding to the grain rail network, and ask for each bin in the Kwinana South Zone —

- (1) Can the Minister table a list with the current cost of transporting grain to port by:
 - (a) road only; and
 - (b) road and rail?
- (2) Can the Minister table a list with the estimated cost of transporting grain to port after this funding is spent by —
 - (a) road only; and
 - (b) road and rail?
- (3) In estimating (2), what assumptions have been made as to the efficiencies that will be achieved from the Brookton strategy?

Hon SIMON O'BRIEN replied:

- (1) (a)-(b) The cost of transporting grain to port from bins in the Kwinana South zone is determined by the commercial freight operators of road and rail freight services contracted by grain exporters. The freight rates charged by these private companies from time to time are confidential and not available for publication

In general, however, the cost of transporting grain from most bins in the area by rail is considerably higher than the cost of road transport direct to port, due to the longer distance of the rail corridor and other structural inefficiencies. Information was provided on a confidential basis to the Strategic Grain Network Committee for the purpose of its review and is reflected in the recommendations of the Committee's Report.
- (2) (a)-(b) The direct cost of transporting grain after the investments is not expected to be greatly different on either road or rail. The investments will upgrade the rail and road networks to enable continued safe and efficient use of each mode into the future. Without the Government support to invest in rail upgrades, rail access fees would increase, making rail an uneconomic option. The road investments will improve road pavements and widen targeted road sections to cater for trucking movements
- (3) The Brookton Strategy is intended to capture large volumes of export grain from the Kwinana South Zone by simplifying the rail freight operation and capitalising on high quality loading infrastructure at Brookton. The government will work with CBH, WestNet and the rail service providers to ensure that the rail freight operation from Brookton is as efficient as possible so as to ensure it is commercially attractive to the grain industry to use it.