

RAIL FREIGHT NETWORK — LEASE AGREEMENTS

6165. Hon Philip Gardiner to the Minister for Finance representing the Minister for Transport

The Rail Freight Corridor Land Use Agreement (Narrowgauge) and Railway Infrastructure Lease Agreement between the Western Australian Government, Westnet Narrowgauge Pty Ltd (Network Lessee), Australian Western Railroad Pty Ltd (Purchaser) and Australian Railroad Group Pty Ltd (Guarantor) contained initial performance standards for the Rail Network as per Schedule 4 of the agreement, dated December 2000. S15.2 and 15.3 of that agreement allow these initial performance standards to change from time to time as agreed to by the Minister and the Network Lessee. I ask —

- (1) Have the initial performance standards been changed, as per s15.3 of the Lease Agreement, in relation to what is now termed the Tier3 rail lines as designated in the *Strategic Grain Network Report*, dated December 2009?
- (2) What was considered to be the purpose of the Tier3 rail lines at the time this Lease Agreement was negotiated, with particular relevance to the terminology of being fit for purpose?
- (3) If there has been a change in performance standard from the initial performance standard, what were those changes?
- (4) If so, when and what documentation exists between Government and the Lessee concerning any change?
- (5) If the performance standard of the Tier3 rail network has not been changed, how is it that unless expenditure is made on the lines prior to end October 2012, that the Government is stating they will be closed?

Hon SIMON O'BRIEN replied:

The Public Transport Authority advises:

- (1) Yes.
- (2) The main purpose of the Tier 3 lines is for the transportation of grain.
- (3) The Government agreed to the little used Tier 3 lines being put into Care and Maintenance in line with the recommendations from the Strategic Grain Network Committee.
- (4) The changes to the performance standards were made on 9 July 2010 and included in a project agreement between the Public Transport Authority and WestNet Rail (now Brookfield Rail).
- (5) Not applicable.