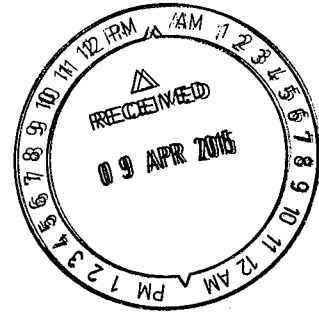




## Minister for Transport

Our ref: 53-06174  
Your ref: Petition No 73

Hon Simon O'Brien MLC  
Chairman  
Standing Committee on Environment and Public Affairs  
Parliament House  
PERTH WA 6000



Dear ~~Mr O'Brien~~ *Simon*

### Standing Committee Petition No 73 Regional Transport Services

Thank you for your letter dated 17 February 2015, regarding Petition No 73 Regional Transport Services.

The Government appreciates that there are concerns about the Tier 3 rail lines being placed into care and maintenance and has engaged with relevant interest groups, shires, and the principal petitioner, Jane Fuchsbichler. Mrs Fuchsbichler in particular, has raised the issues noted in the petition with Government on several occasions, over an extended period.

The Government considers, both road and rail transport are critical for transporting Western Australia's grain to port. Grain has always been transported by both road and rail, with modes, routes and market share determined by commercial interests and agreement.

The operation and investment in the rail network is primarily a commercial matter between Brookfield Rail and its customers. This was the original purpose of leasing the rail network. Tier 3 rail lines could be recommissioned, should demand justify the required investment. However, neither Brookfield Rail (Brookfield) nor Cooperative Bulk Handling (CBH) have indicated they are willing to make the necessary investment.

The State Government continues to support operations on, and the funnelling of grain to commercially viable rail lines for rail transport to port when appropriate. Since 2010, the Government has delivered on its commitment to invest in upgrading viable Tier 1 and 2 rail lines.

The Government is also delivering on its \$118 million commitment to upgrade state and local roads in Tier 3 areas. The road upgrades will encourage grain to be funnelled to viable rail lines for transport to port, while enhancing safety for local communities. It is important to note that in addition to the Grain Freight Improvement Program funding commitment, there has been substantial other road construction funding (approximately \$40 million) allocated to improve the road network in the Wheatbelt Region over the period 2011-12 to 2014-15.

In response to pavement deterioration concerns on the Wheatbelt local road network actively used for grain haulage, Main Roads has been undertaking weekly inspections to ensure road safety is being maintained. Some isolated failures have been identified, including increased level of potholes and rutting. It is expected that any premature failures to Wheatbelt local roads that have been upgraded by Shires will be addressed by the relevant Council at its own cost, as it is responsible for the works.

The \$14 million maintenance allocation of \$3.5 million over four years for roads affected by the discontinuation of Tier 3 rail lines is no longer available as it has been used in the construction phase of the program to address targeted pre-existing pavement defects and construction funding shortfalls on both State and local roads.

In conjunction with local government, Main Roads recognises that a source of maintenance funding needs to be provided for these roads to address the effect of increased numbers of heavy vehicles due to the discontinuation of Tier 3 rail lines. The weekly assessments by Main Roads, combined with traffic data currently being collected, are being used to determine the impact of grain freight on the roads and potentially assist in the development of a business case for any further consideration of a maintenance/road rehabilitation investment by the State Government.

In the interim, Local Governments are able to apply for annual Local Roads Program funding under the Regional Road Group and Commodity Routes funding categories for any upgrades and maintenance required to their local road network. They are also entitled to receive funding allocations from the Federal Government's Roads to Recovery Program.

Since Brookfield Rail discontinued operation of the Quairading-York and Trayning-Merredin rail lines on 31 October 2013 and the remainder of the Tier 3 rail lines on 30 June 2014, there has not been a significant change on road crash patterns in the Wheatbelt Region.

In 2013, 15 people died on roads in the Wheatbelt Region. While the Wheatbelt Region has a high crash rate compared to the State average, most of these crashes are single vehicle runoff road crashes involving light vehicles. Heavy vehicles are only involved in 4.0 per cent of all crashes and 4.2 per cent of single vehicle runoff road crashes across the local government roads, predicted to receive additional heavy vehicle traffic following the discontinuation of Tier 3 rail lines. Generally, heavy vehicles comprise 10 to 15 per cent of total traffic on these roads so heavy vehicles are not over-represented in the crash statistics.

As most major roads in the Wheatbelt adjacent to Tier 3 rail lines carry less than 1,000 vehicles per day, it is considered that there is still plenty of road space capacity to safely carry the additional grain trucks even allowing for concentrated road grain movements from bin to rail head.

The Government is aware of the changes that have occurred since the 2009 Strategic Grain Network Review (SGNR). However, the SGNR report provided a long term view that was based on 10 year averages. It remains the most comprehensive review of grain freight arrangements to date. The Government has encouraged industry, if it considers a new report necessary, to take the lead in developing a transport blueprint that captures its views of current and future transport requirements in the Wheatbelt.

The Government has communicated its willingness to engage in discussion to determine whether a viable business case for recommissioning the Tier 3 lines can be developed, or alternatively consider an industry proposal that adheres to Treasury requirements. To date the Government has not received a proposal that meets these requirements. A proposal for further public investment in the lease rail network will need to be assessed against other budget, Royalties for Regions and public priorities.

In the meantime, the Government awaits the outcome of negotiations between Brookfield and CBH regarding access to the Tier 3 and Miling rail lines for further clarity on the long term future of the rail lines.

The Government recently restated its long held policy position on freight rail network in *Government Response to the Economics and Industry Standing Committee's Report No. 3, The Management of Western Australia's Freight Rail Network*.

Thank you for raising these matters.

Yours sincerely



**DEAN NALDER MLA**  
**MINISTER FOR TRANSPORT**  
7 APR 2015