

Submission to Standing Committee on Environment and Public Affairs

Petition no 73 – Regional Transport Services.

We oppose the closing of the Tier 3 Trail Lines:

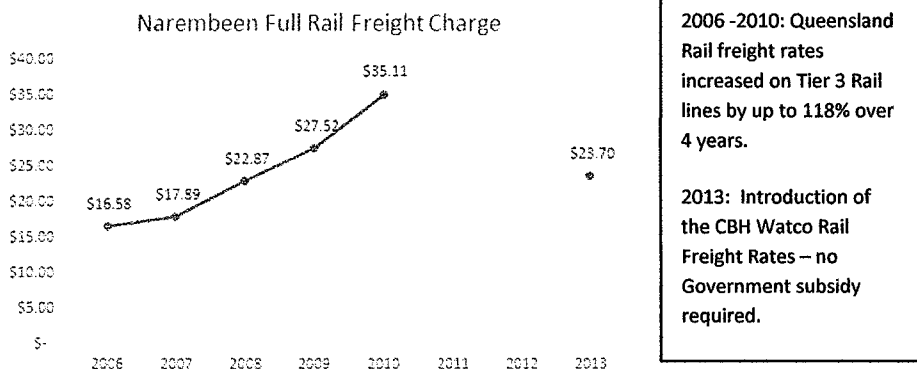
The Tier 3 Rail lines were closed as a result of the Strategic Grain Network Report (SGNR):
Finding 12: Strategic Grain Network Committee Report 16/12/2009 **“Tier 3 lines in the Kwinana South Zone are not competitive with road transport and during 2010 rail services will cease to operate on them regardless of actions taken by governments.”**

The figures in this report are out dated, there is concern that the report was based upon flawed information, however following the Economics and Industry Standing Committee, the Management of Western Australia’s Freight Rail Network Report it is confirmed that the SGNR is no longer relevant:

Inquiry into the management of Western Australia’s freight rail network: (16/10/14)
Finding 9: **“The Strategic Grain Network Report is no longer an appropriate document on which to base Western Australia’s grain freight policy”.**

There have been many changes since the SGNR:

- 1) CBH investment of \$175 million in locomotives and wagons has reduced the cost of rail freight:



- 2) CBH have proven they can make rail freight at all tier 3 rail sites cheaper than road freight. Rail freight rates reduced an average of 7% with the new rolling stock. At Corrigin the actual rail freight cost dropped by 17% on Tier 3 Rail line, with no subsidy or Transitional Assistance Package.
- 3) SGNR road transport figures were based upon Diesel prices of around \$1/ litre it was stated that increased fuel prices would make rail more competitive. With the intended introduction of a Congestion Charge; Road Toll on Trucks; increased licence fees, road freight cost will continue to increase.

- 4) Cost of maintenance of roads: Already the road infrastructure is deteriorating. The funds spent on road “upgrades” are inadequate and many of these roads are already deteriorating, liquorice strips rapidly crumble. The cost to Local Government is not sustainable. Increased Shire Rates will then be passed on to rural rate payers.



York to Quairading Road
“Upgrades” after less than 3 months.



Bruce Rock to
Shackleton Road
“Upgrades” have
subsided and are
quickly
deteriorating.

- 5) At no time has there been a Road Safety Impact Study. Wheatbelt South has most of the Tier 3 Rail lines in its area. Wheatbelt South boasts the highest road toll statistics in the State, putting tens of thousands of extra trucks onto these roads can only add to the danger on these roads. In a letter to the Government 6th May 2009, Brookfield stated that 300,000 extra trucks would be required to complete the grain freight task without Tier 3 rail, increasing road maintenance costs; putting many lives of other road users at risk and increasing greenhouse gas emissions. **740 people have been killed or seriously injured in 10 years (2001-2010) in the region, which is a rate of 312.6 per 100,000 population, the highest rate in WA.** As at 24th November 2014, 86 people have died on regional roads this year and 78 people have died in the Metropolitan area.

Estimated Cost of Crashes by Crash Severity and Region, 2013

Year	Crash severity	Regional	Metro	Western Australia
2013	Fatal	8,064,256	7,097,929	7,631,212
	Hospitalisation	476,527	297,519	353,380
	Medical attention	104,538	75,413	79,963
	Property damage only	11,612	11,612	11,612

- 6) Rail opened up the Wheatbelt and has been a vital artery for the grain freight task for 100 years. This infrastructure is State owned, a tax payer asset and must not be allowed to fall into disrepair or removed. CBH wish to operate these lines. CBH has proven that the lines are viable and must be used for the benefit of the State's economy and in the interests of our communities and Grains Export Industry.
- 7) Each day that the Tier 3 rail remains closed costs our growers, our communities, our economy. The rail path to port infrastructure is the life line for the Wheatbelt, the most efficient method must be used to assist the industry to be internationally competitive. The Grain Freight Rail Network is a VITAL and integral part of WA's second largest export industry.
- 8) We respectfully request that Tier 3 Rail lines be put back into operation. Prior to closure on 30th June, 2014 Tier 3 lines were carrying record tonnages 6,500 tonnes per day into Merredin.
- 9) We request that Government put in place an overseeing body to ensure the best interests of WA Citizens is protected in any Government Contracts, particularly when dealing with State owned assets of a natural monopoly with overseas corporates.
- 10) We have not taken our complaint to the Parliamentary Commissioner of Administrative Investigations (Ombudsman).

Jane Fuchsbichler