

## GREAT EASTERN COUNTRY ZONE

ABN 96 022 769 145

c/-BHW Consulting  
 PO Box 6456  
 EAST PERTH WA 6892  
 T: 0427 854 478  
 E: [hwestcott@wsquared.com.au](mailto:hwestcott@wsquared.com.au)



Our ref: GECZ 260614

Dr Loraine Abernethie, PhD  
 Principal Research Officer  
 Economics and Industry Standing Committee  
 Level 1, 11 Harvest Terrace  
 WEST PERTH WA 6005



Shires of:

Bruce Rock  
 Cunderdin  
 Dowerin  
 Kellerberrin  
 Kondinin  
 Koorda  
 Merredin  
 Mt Marshall  
 Mukinbudin  
 Narembeen  
 Nungarin  
 Tammin  
 Trayning  
 Westonia  
 Wyalkatchem  
 Yilgarn

Dear Dr Abernethie

**Inquiry into the Management of Western Australia's Freight Rail Network – a Submission to the Economics and Industry Standing Committee from the Great Eastern Country Zone of WALGA**

The Great Eastern Country Zone (the Zone) appreciates the Committee's granting of an extension of time to provide further information for its inquiry into the management of the State's freight rail network.

In addition to its submission to the Economic Regulation Authority (ERA) on the determination of the floor and ceiling cost price for Brookfield Pty Ltd its information previously provided, the Zone would like to make the following comment.

At the Committee's hearing in Bruce Rock on Tuesday 27 May 2014 Mr Love asked whether Councils were looking at the possible extra costs anticipated with the closure of Tier 3 lines and whether this data was available.

Cr Forsyth replied that this work had commenced. Whilst this is correct it is for only a subsection of the local governments within the Zone – the Shires of Bruce Rock, Kellerberrin, Merredin, Westonia and Yilgarn. The data collection exercise is only in its infancy and as such is not ready for publication as yet.

During the hearing on 27 May Cr Storer provided evidence on how the Shire of Koorda was being impacted by rail closures.

The Shire has provided expenditure on roadworks impacted by grain movements. The Shire has also provided a map for the Committee's information that shows the roads that are damaged in green and the roads that will likely be impacted in the future if rail closures continue in pink.

All roads in the Shire of Koorda are local roads. Its road network contains no state government roads.

<b>Roadworks Impacted by Grain Movements.</b>	
Cost of works	\$565,000
length of road works	5km
Time taken from Works	6 weeks approx
<b>Shire of Koorda 2013/2014 information</b>	
Total Road Length - sealed	245kms
Total Road Length unsealed	840kms
Total Road Expenditure	\$1.8m
road damaged in comparison to Shire	2% of sealed road network 0.4% total road network
cost of road damage in comparison to budget	31.3% total road allocation

If this is the information that Mr Love was looking to receive I can request this information from other Councils within the Zone. In addition, would the Committee require historical roads expenditure data and if so for what period?

At the Committee hearing held on 27 May the Zone also raised its concerns around the interface agreements which had been sent to many of its Member Councils by Brookfield Pty Ltd as the rail operator for the rail lines across the Wheatbelt.

Of particular concern to the Zone is the that affected Councils are going to have meet the costs associated with works in the "danger zone" (the 3m corridor from the rail line), a cost they have not had to bear previously and for which they will have no control over as the work will be undertaken by Brookfield who will then invoice affected local governments for any work undertaken.

The Office of Rail Safety has advised that the safe operation of the rail network is the responsibility of the rail operator; therefore the matter of non-operational lines being included in an Interface Agreement is a matter for the rail operator.

On this matter, Brookfield has advised that some lines within the network are non-operational Given that only an act of Parliament can close a rail line, it is Brookfield Rail's position that non-operational crossings will be included in Interface Agreements; however they will be identified as non-operational in the Schedule.

What this potentially means is that affected Councils will be required to maintain an asset that is owned by someone else, not being used and perhaps won't ever be used again. For Councils where Tier 2 and Tier 3 lines have ceased to operate this is particularly galling given that they must now also meet the cost of increased roads maintenance expenditure on roads now used to cart grain where previously rail was used.

For the Zone this is cost shifting from a private sector organisation onto local government is unacceptable and accordingly seeks the Committee's assistance in seeking redress on this matter.

As stated in its submission to the ERA and its first letter to the Committee, local governments across the agricultural region have always been interested in the wellbeing of the agricultural sector - without a viable and sustainable grain industry the viability and sustainability of their communities comes into serious question. An efficient and cost effective transport chain to allow for farm to port delivery of grain is

essential for the region's future well-being. The future of the rail freight network across the local governments that make up the Zone is therefore of vital concern to its Member Councils.

Thank you again for the opportunity to comment. We hope the information provided will be of assistance in the Committee's deliberations.

Should you have any questions regarding any of the above please do not hesitate to contact me.

Yours sincerely

**Helen Westcott**  
Executive Officer

27 June 2014

Attach:

# SHIRE OF KOORDA

REGIONAL ROAD GROUP

