

TIER 3 GRAIN FREIGHT RAIL LINES

794. Mr M.P. MURRAY to the Minister for Regional Development:

I refer to the minister's commitment prior to the last election to use regional development funds to ensure that 2 300 kilometres of grain rail lines are not closed. Further, I remind the minister of his commitment in September last year when he defended his government's failure to honour this promise on the basis that even if the government invested in the line the CBH Group would not use it. In light of the fact that CBH has now advised the government that it will use these lines, will the minister now honour his 2008 commitment and ensure that his government keeps these lines open?

Mr B.J. GRYLLS replied:

I have a clear and concise message for the good people who grow grain in Western Australia: beware the honeyed words of the Labor Party and their feigned indignation on this issue.

Several members interjected.

The SPEAKER: Thank you, members. For those of us at this end of the chamber it might be an issue when hearing the answer to the question, if people continue to interject. I, for one, would like to hear the answer to the question.

Mrs C.A. Martin: Stop maligning the Labor Party on your feet!

The SPEAKER: Member for Kimberley, I formally call you to order for the first time today.

Mr B.J. GRYLLS: The feigned indignation of members opposite on this issue is borne out by the fact that year after year when they were asked to invest in the grain network they invested zero!

At the same time that the commonwealth government had \$135 million of incentive money and was seeking a partnership with the state, what did they invest? Nothing! That meant that in eight years the state Labor government invested nothing; and the commonwealth had \$135 million to invest and did not because the state would not commit. Now members opposite would have the people of the Wheatbelt believe in media statements and rally presentations that they have walked the road to Damascus and they love investing in rail in the Wheatbelt! Let us see that policy, shadow agriculture spokesperson! Let us compare that with what the government has done. It has invested \$187 million of state taxpayers' money into the rail network in Western Australia. That has unlocked \$135 million of commonwealth money; then \$113 million of state taxpayers' money into the road network; and then a transport assistance package that made sure that in the transition from rail back to road the economics stacked up to keep that grain on the network. The reason for that decision was because CBH, the WA Farmers Federation, the Pastoralists and Graziers Association and the WA Local Government Association all signed off on a report telling the government to put its \$187 million and that \$135 million into tier 1 and 2 lines, and \$100 million into the road network. We did what the industry asked us to do. When members opposite were asked by the industry to do something, they did nothing. The Liberal–National government has a very strong record on this issue. I back up the statements that I made.

Mr J.R. Quigley: You broke a promise!

Mr B.J. GRYLLS: The member for Mindarie is asking me to keep a promise that industry asked me not to keep. The industry told me not to keep the promise. We did exactly what they asked us to do. That totalled more than \$400 million. CBH is the only user of that rail network—there is only one user; so what CBH decides is vitally important in this. After telling government not to invest in tier 3 rail, CBH, in partnership with Watco Companies, now thinks we should invest in rail. CBH has done nothing to justify that, apart from a 10-page document which the government examined and does not think cuts the mustard for it to invest \$100 million of taxpayers' money. Until CBH can justify to government that there is an economic case to invest in those railway lines, we will not do it. However, we have given them another year to do that by keeping the tier 3 rail lines open. The ball is in CBH's court. It must come back to government and convince government that it wants to use that rail line.

Mr M.P. Murray: So your promise wasn't worth anything!

Mr B.J. GRYLLS: They are the only user, so I would have thought it would be pretty important to talk to them about this.

Mr E.S. Ripper: What about your election promises?

Mr B.J. GRYLLS: CBH said "Do not invest", and we did not. CBH is now saying "Invest!" We are saying "Convince us that you are capable of it".

Mr M.P. Murray: What about the farmers?

Mr B.J. GRYLLS: Can I further add to that? It is my clear belief—I know about this; this is an issue in the heart of my electorate—that the only way that that business case will work is if CBH as a company is prepared to put its capital into investment in those tier 3 rail lines. Is it prepared to do that? That is the challenge. Local governments that are members of the Wheatbelt Rail Retention Alliance have the opportunity, with the local government fund, to make a decision to invest in that rail line. That is up to them. The farmers who are very keen to see an investment in that tier 3 network could also come up with a levy, just as occurred when the good farmers of the Mid West wanted to expand the Geraldton port and put up a levy to help fund the expansion of the port, because it was good for their business. When the farmers in Esperance wanted to build a dog fence to protect their properties they raised a levy so they could put in dollars to make sure the fence was built.

Mr R.H. Cook: It's different now you're in Parliament.

Mr F.M. Logan: There's no levy in this pledge.

The SPEAKER: Member for Cockburn, I formally call you to order for the first time today. Member for Kwinana, I formally call you to order for the first time today.

Mr B.J. GRYLLS: I need to be very, very clear to the people involved in this debate that if they want this debate to progress and they want to see investment in tier 3 rail, they need to come back to government with a business case that stacks up. When the business case stacked up, the government invested \$187 million of state government money into rail and \$113 million into the road network. I say again, the opposition spokesperson has the opportunity to match his honeyed words with action by actually having a policy on this issue, but he will not have one.

Mr M.P. Murray: Now you're in government; you've been there for three years.

Mr B.J. GRYLLS: He has never had one and he never will have one. If the good people of the wheatbelt are prepared to listen to him for more than one minute, they will work that out.