

TIER 3 GRAIN FREIGHT RAIL LINES

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

I have a supplementary question. As the minister is now aware, CBH will use the lines and expect that by using the lines, farmers will save on average around \$6 a tonne—something the minister is denying them.

Mr B.J. GRYLLS replied:

As the shadow spokesperson for agriculture, it would be good if the member for Collie–Preston understood the issues before he came to the Parliament. CBH created tier 3; it came up with the idea of not investing in it. The government did not. CBH now has to convince the government that there is a case for that. It has so far failed to do that. What the member for Collie–Preston did not mention in his supplementary question was the 10 conditions of subsidy attached to that point that would make it work. While CBH requires Western Australian taxpayers to subsidise that position, I do not think the business case works. It is as simple as that. If CBH can bring a case to government, without a subsidy attached to it, the government would do well to consider that. For CBH to have the opportunity to make that case, the Minister for Transport made the very sensible decision to keep the tier 3 lines open for this year's harvest.

Interestingly, in today's rural press, CBH spent a lot of paragraphs talking about how difficult it will be to keep grain on rail in this year's harvest. At the same time CBH is telling us that it wants to put grain on rail, yet it says in the rural press today how it thinks it will be difficult to keep grain on rail. CBH has a lot to answer for in this debate. Until it does it will be very difficult to make that investment in tier 3.