



Treasurer; Minister for Transport; Emergency Services

Our ref: 30-29728

Hon Brian Ellis
Chairman
Standing Committee on Environment and Public Affairs
Legislative Council of Western Australia
Parliament House
PERTH WA 6000

Dear Hon Brian Ellis

STANDING COMMITTEE ON ENVIRONMENT AND PUBLIC AFFAIRS – REPORT 26 – PETITION NO.145

Thank you for your advisory officer's email dated 25 June 2012 regarding the Legislative Council Standing Committee on Environment and Public Affairs' (the Committee) hearing of *Petition 145 – Closure of Tier 3 Narrow Gauge Rail Lines in the Wheatbelt*.

I note the Committee has put forward the following recommendations:

- Recommendation 1: The Committee recommends that the government keep the central Wheatbelt Tier 3 rail lines open until the end of 2014 to enable Co-Operative Bulk Handling (CBH) to demonstrate the business case for retention of these lines; and
- Recommendation 2: The Committee recommends that in conjunction with the Recommendation 1 demonstration period, the government commission the Wheatbelt Development Commission to undertake an economic review of the appropriate grain transport infrastructure for the areas serviced by the central Wheatbelt Tier 3 rail lines.

The State Government has committed \$187.9 million for re-sleepering the Tier 1 and 2 networks, in addition to \$118.3 million for road improvements. Road upgrades have commenced, with \$43.7 million allocated to state and \$60.6 million for local government roads. 47 per cent of state road upgrades are expected to be completed by December 2012 and finalised by June 2013 when the final two Tier 3 rail lines are placed in care and maintenance.

The Committee's recommendation to keep Tier 3 rail lines open to the end of 2014 is not supported. I have been advised that these lines are becoming sub-standard and that Brookfield Rail has reservations about the safety of these lines.

I do not support a further economic review of the Tier 3 rail network. In June 2011, CBH presented a business case to the government for the retention of Tier 3 rail lines. However, the case was not supported by the government as it was not proven conclusively that grain would be transported by rail or that these lines were viable. CBH and other parties have been advised that the government does not object to private investment in the Tier 3 rail network, if investors believe that these lines are viable.

Thank you for raising this matter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Troy Buswell', with a long horizontal stroke extending to the right.

**TROY BUSWELL MLA
MINISTER FOR TRANSPORT**

14/08/12

cc: ghitchcock@parliament.wa.gov.au