



RAIL RAGE

LOCAL governments are up in arms after Westnet Rail said it will be forced to close rail lines in four WA shires if the State Government does not contribute funding to upgrading the key Albany to Northam line.

These lines include Trayning to Merredin, York to Quairading, Katanning to Nyabing and Tambellup to Gnowangerup.

Trayning shire president Trevor Lamond (pictured), said the closure of the Trayning to Merredin rail line alone would mean 100,000 tonnes of grain would have to be carted via road, which would equate to an extra 2000 road trains.

Those road trains would either travel from Trayning into Merredin, or from Trayning to Kellerberrin but either way Mr Lamond said it would put a lot of pressure on the roads.

"If it goes from here to Merredin then the responsibility of the road rests with Main Roads, but if grain is carted from here to Kellerberrin, it rests with the Shire of Trayning," Mr Lamond said.

"Whichever the case may be, who would want an extra 2000 road trains when we've got a choice of using rail?"

"I think it's a backwards step."

☐ Full story on pages 4-5. Photo by Beth Johnston.





Rail line closures loom if deadline not met

By COLIN BETTLES

TRANSPORT Minister Simon O'Brien's proposal to utilise the expertise of the Freight and Logistics Council to assess the grain industry's transportation needs was endorsed at a special meeting at Parliament House last week.

However, not all those from the industry in attendance were pleased with the final outcome.

The purpose of the meeting was to invite industry participation in a process that will guide the Government's decision making on future investment in the state's grain rail network.

The meeting was attended by 26 delegates, including representatives from WestNet Rail, ARG, South Spur Rail Services, CBH, WAFarmers, the Pastoralists and Graziers Association (PGA) and the Australian Grain Exporters Association (AGEA).

Various government agencies also attended including the Agriculture and Food Department, the Transport Department and the Planning and Infrastructure Department.

Each of the organisations will now provide one delegate to represent them on the new committee.

Following the meeting, WestNet Rail general manager Paul Larsen caused a stir in the corridors of Parliament House by publicly stating that he was disappointed the State Government was still considering a re-submitted proposal from WestNet Rail to spend \$50 million on upgrades to the Northam to Albany grain freight line.

Mr Larsen said he understood the Federal Government had set aside funding, capped at \$135m, from its multi-billion dollar Nation Building Program to fund the grain rail freight network.

He said that funding was subject to the outcomes of the WA grain review.

WestNet Rail is asking the state and federal governments to commit to investing in improvements to the 2300km narrow gauge network.

Mr Larsen said he was bemused at why the government had not responded to the resubmitted proposal put forward on May 6, which has a June 15 deadline.

He said if a positive response was not received by June 15 to the alternative

proposal, grain rail freight operations would close on four lines "the following day".

"We understand it is taxpayers' money we are asking for, but the government needs to show its support for rail and provide some certainty to the grains industry," he said.

"We met with Mr O'Brien before last week's meeting and we were hoping he would be making an announcement on our request at the meeting.

"However, it was nothing more than a talk fest and now we have run out of patience.

"CBH are going hell for leather getting a trucking plan organised for this harvest.

"The Federal Government is ready to go and have set aside \$135m to fund the track repairs needed but they are not going to put in any money unless the State Government does.

"If they allocate the funding for the Avon to Albany upgrades, we will keep all the other lines open."

Grain operations are set to cease on rail lines from Trayning to Merredin, York to Quairading, Katanning to Nyabing and Tambellup to Gnowangerup.

Mr Larsen said the industry was ready to invest in annual track expenditure of \$30m, additional rolling stock to the value of \$80m and rapid rail loading infrastructure to the value of \$150m.

However, he said it could not proceed without State Government support.

A stand-off is now expected to follow between WestNet Rail and the State Government, with the outcome hinging on WestNet Rail's contract to provide rail services.

The contractual battle could end up being resolved through legal action.

A spokesperson from Mr O'Brien's office said he stood by the statement made after last week's meeting, and that a process had been agreed to by industry at the meeting last week, to create a tangible solution to the rail issue and find a strategic outcome for all of industry.

He said that process was not separate from WestNet Rail's request for funding to repair the Northam to Albany line.

"Any rail closures and additional trucks going onto roads after June 16 will be of WestNet Rail's making," the spokesperson said.

"Any lobbying on that should be taken up with WestNet Rail, not the State Government.

"They are the ones holding the gun to the government's head, and not just the government's head but everyone else in the industry who use these tracks for grain transportation."

Agricultural Region MLC Brian Ellis said he was sympathetic to WestNet Rail's concerns but was surprised by their statement following last week's meeting.

Mr Ellis, who is also a third generation graingrower, said a current strategic plan was needed for grain transportation, regardless of where the money was going to come from.

"The meeting may not have satisfied the request for funding from WestNet Rail, but it should have alleviated their strategic concerns," he said.

Mr Ellis said he would like to see WAFarmers and the PGA working together to develop a unified view and strategy for handling the rail issue.

The PGA questioned WestNet Rail's motives in "threatening" to abandon 340 kilometres of narrow gauge railway in WA.

PGA Western Graingrowers Committee chairman Rick Wilson said Mr O'Brien had held a meeting with industry stakeholders resulting in the establishment of a committee to assess the grain industry's transport needs.

At the meeting, he said Mr O'Brien's office had given assurances that the WA grain rail network was "fit for purpose" and that no lines would be closed while the new committee conducted its task of funding a strategic solution to the issues under consideration.

"WestNet Rail is asking the State Government to use taxpayer funds for capital works, yet they are threatening to close lines which they have wanted to do since 2004," he said.

"Now their actions are starting to raise questions within the industry over how much capital works investment has been performed by WestNet Rail in the past six years.



“WestNet Rail has an obligation to growers in WA to maintain an efficient rail system.

“Maybe it is time for them to open up their books to public scrutiny and show where the inefficiencies are in the system, before asking taxpayers to fund their business.”

CBH logistics manager Tim Collins said rail line closures were not good for the WA grains industry.

“Rail needs volume to be efficient and these closures will rob the network of volume leaving the cost of the network more expensive for the majority of users,” he said.

In the past three to five harvests, Mr Collins said the average volume on the Quairading line was around 150,000 tonnes.

In the same period, the average volume on the Trayning line has been

around 140,000t and on the lines in the great southern, around 200,000t.

AGEA director Alick Osborne said his organisation had appreciated hearing about the issues confronting the WA rail network “first hand”, at last week’s meeting.

Mr Osborne said grain exporters had experienced significant issues getting grain to port earlier this year and were now happy to be involved in the discussions that are designed to find a solution.

“The final proof will be in the pudding,” he said.

Shadow Strategic Infrastructure Minister Alannah MacTiernan said the grain rail rescue package should be funded from the \$281m in unallocated Royalties to Regions funding.

She said Regional Development Minister Brendon Grylls had blatantly

refused to fund a project that would be of great benefit to the regions, while millions of dollars lay idle “waiting for a good idea”.

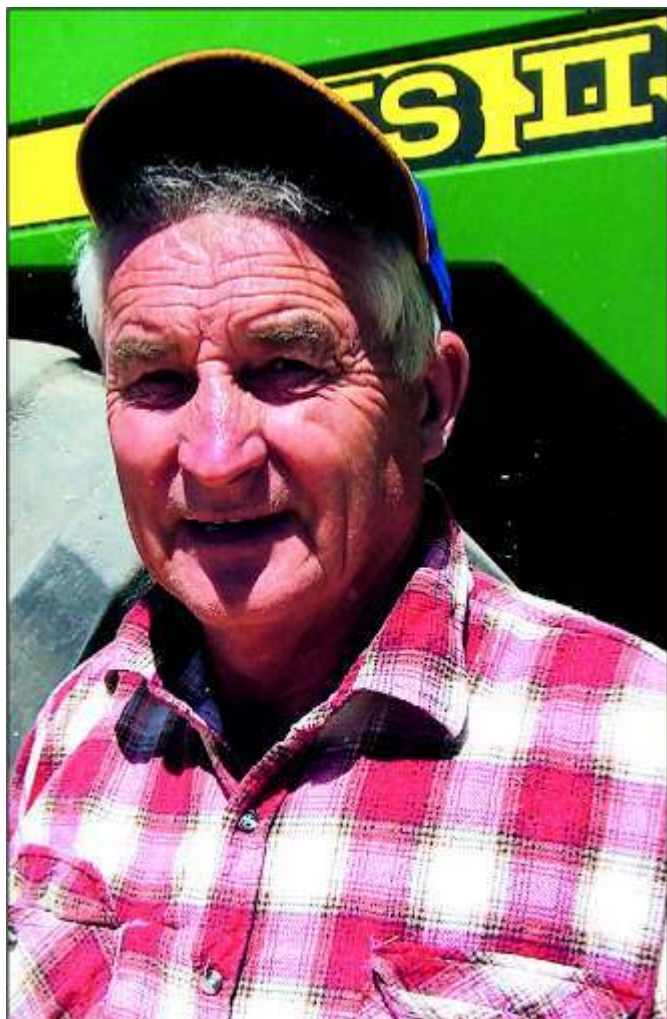
“This is an essential project that the regions are crying out for, yet somehow, Mr Grylls does not deem it worthy,” she said.

“The Minister is prepared to spend Royalties for Regions money on health projects from mattresses to x-ray equipment to hospital buildings.

“The rail project however is highly strategic and is exactly what the Barnett Government should be investing in.

“The Federal Government is expected to make a decision soon on its own contribution to the project.

“Using the unallocated funds remaining in the Royalties for Regions scheme would be a sensible investment for the Barnett Government.”



WAFARMERS transport spokesperson Colin Nicholl, who attended the meeting with Transport Minister Simon O’Brien at Parliament House last week, was disappointed a representative from WALGA did not get invited.

Mr Nicholl held the transport portfolio for WAFarmers from 1994 to 2004.

He recently returned to the role after the previous spokesperson John Hassell, Pingelly, was elected to the board of CBH.

Mr Nicholl said WestNet Rail was showing the government that it was serious, by announcing the pending rail closures.

“My concern is that, if the government does not come to the party with this funding, by next year we could see large sections of the narrow gauge network close,” he said.

“That would thrust an enormous cost onto local government and other government departments, through Main Roads.

“My other fear is that this could be the first of many rail closures to come.

“We have to work on a longer term solution but we also need to make sure we get this harvest to port and the next three.

“We can’t walk away from the shorter term problems.

“The Government has to put the money up one way or another, it just depends if they want more rail to go by road if sections of the rail system start closing.

“Once a line is closed it is very difficult to open it again.”