



Dear Mr Henley

Thank you for your email regarding the lease agreement with Genesee & Wyoming Australia (GWA) for the mid north rail lines. I apologise for the delay in responding.

Your interest in the condition of the mid north rail lines is appreciated. I have sought further advice from the Department of Planning, Transport and Infrastructure (DPTI) regarding your queries. As a number of the questions overlap, I have consolidated the information into the responses below.

The lease condition regarding the maintenance of rail infrastructure is limited to all track infrastructure on land corridors owned by the State Government to which the lease applies. The track infrastructure is owned by GWA, as is other infrastructure such as buildings. GWA is required under the lease to maintain the network in such a condition that trains could be operated if required at two weeks' notice. This requires that the infrastructure is maintained to a level which is reasonably practicable to re-open the line for rail traffic of a similar volume and nature as was operated on the line before it was closed to rail traffic.

Should investment be required prior to re-opening, this would be a matter for GWA to consider given their ownership of the rail infrastructure. Commercial pricing regarding access to rail infrastructure is a matter which falls outside my portfolio and under the jurisdiction of the Australian Competition and Consumer Commission or the Essential Services Commission of South Australia.

I am advised DPTI undertakes inspections of property to monitor GWA's compliance with their lease with regard to general maintenance, native vegetation and contamination. As you indicated, GWA is aware that if the above requirements are not met then the State Government has the ability to terminate the lease agreements. This would also apply to the other conditions identified by you regarding activity on the line.

The State Government would generally not approach GWA to surrender rail infrastructure. Recent activity has nevertheless focussed on surrendering land with infrastructure being made available to third parties such as councils who usually initiate the process. Recent examples of this process include the rail corridor from Nuriootpa to Angaston, which was converted to a cycling trail, and the Burra Railway Station. I can confirm that Burra Railway Station was surrendered by GWA on 21 April 2014.

In regards to rent and outgoings, it would be inappropriate to release details of a private companies' commercial relationship with the State Government.

I trust the above information is of assistance.

Yours sincerely

**HON STEPHEN MULLIGHAN MP**  
**MINISTER FOR TRANSPORT AND INFRASTRUCTURE**

30 June 2015

