



MEDIA RELEASE
Thursday 28 February 2019

**EYRE PENINSULA TRANSPORT INFRASTRUCTURE
HEADING FOR CRISIS FOLLOWING THE COLLAPSE OF
GRAIN HAULAGE BY RAIL**

The announcement that Genesee Wyoming Australia and grain company Viterro cannot come to an agreement to continue the haulage of Eyre Peninsula grain by rail is a disaster which plunges the EP's road network into crisis, says the South Australian Regional Rail Alliance.

SARRA, the State's peak rail-lobby advocate, says the announcement that EP grain haulage by rail is to end on May 31 condemns the EP to a future of road chaos, increased road safety failure and a road maintenance bill of astronomical proportions.

This decision will mean that literally thousands more truck movements over already crumbling EP roads will be needed to cart some 750,000 tonnes of the EP's grain harvests to market each harvest.

SARRA's Convenor Paul Henley says the announcement proves that GWA, with its monopoly hold over the EP grain rail network, has 'thumbed its nose' at the EP's rural community.

"That GWA is twisting the arm of Viterro and EP growers just shows that GWA cares more about its profits being sent back to America, than it does about South Australians," Mr Henley said.

"That the parties have not been able to reach agreement only indicates that profits are ruling over sensibility."

"The failure of any agreement also leaves political blood on the hands of the current Liberal Government.

"There has been an ongoing investigation into this matter by the State Government; We insist on behalf of the people of the Eyre Peninsula - and the broader South Australian community - that the Study conducted by the State be released, in full, immediately.

"Only then will we get to the bottom of this and do what needs to be done to reinstate EP grain handling by rail."

Mr Henley said it beggars belief that Transport Minister Stephan Knoll and Premier Stephen Marshall have shown absolutely no leadership over this matter.

"The State Government should put its foot on the throats of GWA and Viterro; that it hasn't insisted on maintaining the haulage of hundreds of thousands of tonnes of grain on a dedicated rail-line only means that the State will need to spend unnecessary extra millions to turn EP roads into heavy-transport routes - and that is unlikely to happen.

“The State cannot adequately maintain the road network in other parts of regional SA - why will it bother to pay more than ‘lip service’ to the roads on the EP?” Mr Henley asked.

“This only goes to underline SARRA’s proposition that Genesee Wyoming Australia should be made to hand back all rural rail infrastructure - and now the EP lines - to the State.

“It needs to be stated again that GWA was granted a Lease over SA’s rural rail corridors for just \$1 - and it paid a few paltry million for SA’s rural rail assets.

“It has since sucked countless millions of dollars from SA - a good deal of it from the increasingly run-down Eyre Peninsula grain service - money which has only gone to bloat the pockets of its American corporate owner.

“It is no secret that GWA has not met its obligations under the Lease Agreement which in black-and-white demands that regional and rural rail infrastructure be maintained in operational order.

“As a result of its compounding failure, GWA must be made to hand back our rail lines - and hand over its Eyre Peninsula assets. After all, it doesn’t need them any more.

“In return, the State will not insist that GWA spends the millions it is contractually bound to spend to bring lines under its control back to operational order.

This will allow South Australians, through our government, to determine our own rail futures.

“But will this Liberal Government force the issue? Will it stick up for the people of the Eyre Peninsula? Will it remove the impediments currently in place to see a return of freight and passenger rail to regional and rural SA?

“Will it tell GWA to just ‘get out of the way’?

“When Marshall and Knoll show any fortitude over this matter, we’ll let you know,” Mr Henley said.

“But don’t hold your breath.”