MEDIA RELEASE

Chief Minister
The Hon Marshall Perron MLA

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Reports that the Federal Government will upgrade the Adelaide-Brisbane rail link at a cost of a billion dollars do not affect the viability of the Darwin-Alice Springs rail link, the Chief Minister said today.

Mr Perron said a more efficient link between Adelaide and other major cities would complement the Territory proposal.

However, Mr Perron says a lot of work still has to be done before the Morrison Knudsen report on the Darwin-Alice railway can be progressed further, and it would not help the Territory if the case mounted to the Federal Government relied on unsustainable projections.

Analysis by government officers indicates that some of the freight projections contained in the report may be over optimistic, while in other areas potential benefits have not been built into the equation.

"We must convince Mr Keating the Darwin-Alice link will be an important complement to the Adelaide-brisbane upgrade, but we're not satisfied with the projections yet - and it's now more important than ever to mount a watertight case on the proposal," Mr Perron said.

"There is much work to be done before we have a set of figures I'm prepared to rely on, and Morrison Knudsen has agreed to refine the projections with data supplied by the Territory Government.

"Estimates in a number of areas, such as minerals and grain to be carried, seem too high - and plans for the new port need a lot of work.

"On the other hand, use by defence forces and the impact of the railway on micro-economic reform are two of the benefits yet to be quantified, while $122 million in savings on unemployment benefits during construction, and ongoing savings on road maintenance in both the Territory and South Australia, must also be taken into consideration when assessing the merits of the proposal."

Mr Perron said it was vital to maintain the momentum on the Darwin-Alice link.
"We're not giving up on a proposal which will open up northern Australia, create wealth and economic activity, and provide a more efficient link with South East Asia," Mr Perron said.

"Australia can afford to waste the development potential of the north about as much as it can afford to waste a billion dollars - but if we do throw a billion dollars into the Adelaide-Brisbane link, it would at least mean more efficient forwarding of goods through a Darwin-Adelaide line on to Sydney and Melbourne, and that is another item we must factor into our projections."

Mr Perron said Morrison Knudsen's concept of an integrated transport system involving port and rail facilities would provide a foundation for taking Australia's freight links with the fastest growing region in the world into the 21st century.

The Chief Minister also dismissed suggestions that the planned upgrade to Brisbane would capture freight which would use the Darwin line.

"It takes a vessel four to six days longer to get from Singapore or Tokyo to Brisbane than it takes to get to Darwin, so containers sent through Darwin would be unloaded, through Customs, on and off the railway and in the warehouse in Sydney or Melbourne before a similar shipment even reached the Brisbane wharf," Mr Perron said.

"The concept of the Australia Asia Integrated Transport System through Darwin is right, and if the numbers are right too there is no reason why the project should not go ahead - instead of, in spite of, or as well as the Adelaide-Brisbane proposal," Mr Perron said.

"I mean, nothing has changed - there's an Adelaide-Brisbane link now, and there'll still be one in the future. The only difference is that the rails may be shinier, and the system may approach an efficiency level on a par with the standard planned for the Territory."

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