MEDIA RELEASE

MINISTER FOR THE RAILWAY
HON BARRY COULTER, MLA

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The Federal Government will exclude the Tarcoola to Alice Springs railway line from its sale of Australian National rail assets, thus continuing to make it available to a railway consortium which would build the Alice Springs to Darwin line.

This commitment has been given by the Federal Minister for Finance, Mr John Fahey, in a letter to Territory Railway Minister Barry Coulter, who said today he had written to Mr Fahey seeking an assurance the line would be quarantined from the sale of AN's passenger and freight business announced last month.

"It means a critical part of the Adelaide to Darwin rail project is still in place," Mr Coulter said, "and it is a positive signal to potential consortia.

"It is a key to the Commonwealth's commitment to the project that this section of the line is awarded to the successful consortium to build, own and operate the line to Darwin.

"The Coalition promised us this in the leadup to the Federal election and I am pleased to confirm that promise has not been downgraded by Mr Fahey."

Mr Coulter said he was now awaiting a Commonwealth decision on replacement arrangements for infrastructure bonds cancelled two months ago. He said the Commonwealth had indicated the rail project could attract investment support, and it was working on the arrangements that might apply.

In other railway news, the membership of the AustralAsia Rail Corporation is expected to be announced shortly.

The Corporation has been established through legislation passed by the Northern Territory and then the South Australian parliaments. It is the authority which will manage the business process which will bring the railway to fruition, and is jointly funded by the Territory and South Australian governments.

Mr Coulter said recent passage of the legislation through the South Australian upper house meant the AustralAsia Rail Corporation could now be established, including the appointment of a chief executive officer.

"Negotiations are pressing ahead at full throttle," he said. "We want the Corporation up and running as soon as possible to progress the project through the next vital stages.
"If the Federal Government can come to the party shortly on investment support arrangements, we will authorise the Corporation to seek expressions of interest from consortia wanting to build, own and operate the railway.

"Then pre-qualified tenderers will be selected and issued with the project brief.

"After that, it will be for the market place to show its hand and build and operate a viable railway."

Mr Coulter said the Adelaide to Darwin railway project was at its most critical stage right now, and events over the next few months would determine its future once and for all.

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