MEDIA RELEASE

MINISTER FOR THE RAILWAY
HON BARRY COULTER, MLA

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The Federal Government will stand by its commitment to gift the Tarcoola rail section to the Alice Springs to Darwin railway project.

NT Railway Minister Barry Coulter said he had gained this assurance today from the Federal Transport Minister, Mr John Sharp, following yesterday’s announcement that the Commonwealth would sell Australian National to the private sector.

“Any lingering doubts about the effect of the Commonwealth decision on the Northern Territory have been cleared up,” he said. “The gift of the Tarcoola to Alice Springs section of the line is critical to the establishment of a viable north-south railway project, I am grateful for Mr Sharp’s continuing support.”

Mr Coulter said the Territory now backed the decision to privatise Australian National.

“If it had happened 10 years ago, Australia might now be enjoying the benefits of financially viable railway operations,” he said. “Experience around the world shows that the best railways are those run by private sector experts.”

The Minister said the Alice Springs to Darwin railway project would only win community and political support as a commercially viable operation, and all the efforts of the Territory and South Australian governments had been geared towards that.

“It has to operate without any form of public operating subsidy, and we have put together a project brief which makes that clear,” he said.

“But a package of government support is needed to establish the railway in the first place. That includes grants of $100 million each from the NT and SA governments, and a number of concessions from the Commonwealth.

“The transfer of the Tarcoola line has been confirmed today. The project also needs access to the national rail network, completion of the route survey and Commonwealth approval for the application of infrastructure bonds to private sector investment.

“NT Chief Minister Shane Stone and SA Premier Dean Brown will be meeting with the Prime Minister shortly to present him with the detailed project brief and to discuss those critical points.”
Mr Coulter said legislation to establish the AustralAsia Railway Corporation should be passed in the NT Parliament this week, and complementary legislation should be introduced in South Australia soon.

He said the railway project enjoyed solid bipartisan support in the NT and SA, and problems with the legislation were not expected.

The Corporation will take over the administrative functions of the project, including issuing the project brief to pre-qualified consortia prepared to build, own and operate the railway.

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