



6 June 2006



Mr Lyndon Rowe
Chairman
Economic Regulation Authority
Level 6, 197 St Georges Terrace
PERTH WA 6000

Dear Lyndon

**DRAFT DETERMINATIONS ON THE FOUR PROPOSED PART 5 INSTRUMENT
SUBMITTED BY WESTNET RAIL**

The Goldfields Esperance Development Commission (GEDC) is a strong supporter of this review of the Part 5 Instruments and the role of the Economic Regulation Authority in this review.

The GEDC acknowledges that equitable access and a clear process to access safe and efficient below and above ground rail assets are vital for economic growth and diversification in Western Australia. In the Goldfields-Esperance region particular rail issues that impact on economic development and social infrastructure include the inadequate standard of below rail assets and concerns about third party access.

There is a growth in the use of all rail facilities in the GEDC region linked to the growth of the minerals and grain sectors and the increases in tonnages bound for the expanded Esperance Port. The track to Esperance in particular is used for the transfer of iron ore where the trains can only travel at slow speeds and of a certain tonnage. Track that would allow faster, heavier trains and increased rail traffic would enhance the output opportunities for the region.

The strategic approach to transport management by the State and the Federal Government also aligns long-term economic growth to better servicing through rail and a reduction in commercial road traffic. This adds to the rail management task. The track between Perth and the Goldfields is already well used and passenger trains are frequently delayed. Both the Perth line and the Kalgoorlie to Esperance route experience safety issues which include train derailments.

In addition to increased use of the rail infrastructure there is the potential for increased requirements for third party access. The City of Kalgoorlie-Boulder for example are applying for funding to establish a common user intermodal terminal and would require access to the track to service the clients of the facility.

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This review of the Part 5 Instruments demonstrates the complex nature of rail management and emphasises the need for an intelligent and comprehensive examination of access, safety, efficiency and process factors. The ERA has noted twenty five amendments to the Proposed Part 5 Instruments which raises some concern for the management of an increasingly essential yet vulnerable rail system.

The GEDC would like to draw your attention to the rail environment as described above in the Goldfields-Esperance region and encourage the ERA and the new owners of the State rail facilities to consider the needs of the existing and future rail users when finalising the four documents under examination in the Part 5 Instrument Review.

Yours sincerely



Robert Hicks
Chief Executive Officer