

**From:** Matt Lavista  
**Sent:** Tuesday, 24 February 2015 4:51 PM  
**To:** ESCOSA:Essential Services Commission of South Australia  
**Subject:** Rail access Review

To the Essential Services Commission of SA, regarding the current rail access review:

I write in specifics to the following issue question posed:

*"Q6: What are the intentions of rail service providers and their customers in the next 5 years? Are there any key industry developments in the foreseeable future that may impact the demand for these services? "*

An examination of the current state of the GWA owned network reveals that a section of the Mallee lines is to be ostensibly mothballed within 12 months and many other lines currently held under lease which are completely unused. There is also the issue of these not being actively maintained as per lessee agreements with the State Government, which specify maintenance should be performed so a train could be run with two weeks warning. It is clear that rail services by the current freight providers GWA are being progressively run down despite traffic remaining high.

Further covered in the question of modifications to the ROA Act, the issue that other operators cannot provide these services on privately owned lines, which would assist in removing road traffic, or that the current arrangements between grain bulk handlers and rail operators are highly anti-competitive and uneconomical to continue. From a report examining third party grain companies:

*"Rail access to ports is dependent on a long-term agreement entered into by Viterra with the US-owned Genesee and Wyoming Australia (GWA) which manages most of the lines and rolling stock in SA. The cost of accessing GWA-managed lines for third-party grain handlers is significantly higher (tenfold) than on the few lines (e.g. Keith to Adelaide) managed by the Commonwealth's Australian Rail and Track Corporation"*

Open access to the current SA Metro broad gauge network and all privately leased BG/SG lines should be further encouraged wherever possible whether this be tourism operators (eg National Railway Museum) or other freight providers in the interests of competition and also the diversion of freight wherever possible from roads, the cost of maintaining said roads being a burden on the taxpayer and not private industry.

Regards, Matthew La Vista