RAILWAY AGREEMENT (ADELAIDE TO CRYSTAL BROOK RAILWAY)
BILL 1980

Date Introduced: 21 August 1980
House: House of Representatives

Short Digest of Bill

Purpose

To repeal the Adelaide to Crystal Brook Railway Act 1974, reimburse the State of South Australia for payments made by that State under that Act and approve a new Agreement between the Commonwealth and South Australia relating to the construction of a railway from Adelaide to Crystal Brook by the Australian National Railways Commission. (The Agreement is attached as a Schedule to the Bill).

Background

Adelaide is the only mainland State capital city which is not connected to the national standard gauge railway system. The purpose of the present Bill, like that of the Adelaide to Crystal Brook Railway Act 1974, is to authorise the construction of a standard gauge link from Adelaide to the Trans-Australian Railway at Crystal Brook.

Under the 1974 Act the Commonwealth was to have initially financed the construction of the link, with the State repaying 30% of the total cost, with interest, over a period of 50 years.

Up to June 1976 the Commonwealth provided $6.2 million for the project. Due to concern at the escalating cost of the project, the Joy Committee of Inquiry was appointed to investigate the scheme. The Committee found that there was no economic justification for the construction of a new railway line as envisaged by the Act of 1974. The Committee proposed the alternative of upgrading the existing broad gauge line and the bogey exchange facility at Port Pirie. However, the Committee also recognised that there would be benefits in linking all mainland capitals by a standard gauge network and recommended that if such a standard gauge link were provided to Adelaide, it should be constructed at minimum cost. This latter recommendation forms the basis for the present Bill.
While a decision was being taken on the future of the project, a further $0.7 million was paid by the Commonwealth in respect of outstanding commitments in 1976-77, bringing total Commonwealth Assistance to $6.9 million. Over the period 1974-75 to 1979-80, the State paid $862,577 to the Commonwealth in interest and loan repayments.

The present Bill seeks to authorise the conversion of the existing broad gauge line from Salisbury to Merriton to standard gauge, with the construction of new standard gauge links at either end from Merriton to Crystal Brook and Salisbury to Keswick. In addition, connections will also be provided to Port Adelaide and Pooraka while new passenger facilities will be established at Keswick. The Bill contains the provision for an extension of the line to Outer Harbour.

Responsibility for the construction and operation of the railway will lie with the Australian National Railways Commission which will raise finance for the project on the commercial market under the infrastructure borrowing plan.

Main Provisions

Clause 3 repeals the Adelaide to Crystal Brook Railway Act 1974.

Clause 5 approves the new Agreement made between the Commonwealth and the State of South Australia in respect of the project. Clause 27 of the Agreement vests in the Australian National Railways Commission all goods, equipment, fixtures and other property arising from the implementation of the previous Agreement.

Clause 7 limits the amount that may be expended on the project to $82 million, or $92 million if the line were to be extended to Outer Harbour.

Clause 9 authorises the Australian National Railways Commission to construct, administer, maintain and operate the railway.

Clause 14 appropriates a sum from Consolidated Revenue to reimburse the State of South Australia for the total interest and capital repayments paid by that State to the Commonwealth under the previous Agreement.