

Media Statement

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Auditor-General's Report: Maintaining Victoria's Rail Infrastructure Assets

A report by **Auditor-General, Des Pearson**, titled *Maintaining Victoria's Rail Infrastructure Assets*, was tabled in the Victorian Parliament today.

A more accessible and reliable transport system is critical to the Victorian Government's achievement of its economic, social and environmental goals. The rail system in particular is expected to have an increasing role in supporting sustainable growth by carrying a greater proportion of freight traffic and passenger journeys in Victoria.

Each year, Victoria's 5 000 kilometre rail system carries around 140 million passengers and 17 per cent of the freight passing through Victoria's major ports. In recent years, upgrades to parts of the rail system, additional services, lower fares for regional passengers and rises in fuel prices have led to a surge in passenger numbers across Victoria. The freight task in Victoria is also expected to grow significantly over the coming years and these changes place greater demands on the rail system.

In this context, it is important that the state's rail infrastructure, that is the facilities used to operate the railway such as the track and the power and signalling systems, are well maintained.

Mr Pearson's report examined how well the current lease arrangements for maintaining the metropolitan, regional and interstate rail infrastructure had contributed to the delivery of reliable train services.

The report found that the maintenance arrangements for the metropolitan infrastructure and the interstate infrastructure linking Victoria with New South Wales and South Australia were satisfactory. However, Mr Pearson said that there was room to improve and better apply the existing lease arrangements.

In contrast, Mr Pearson found that the arrangements for the regional, intrastate infrastructure did not provide for adequate maintenance and renewal. Over the last 3 years, the Department of Infrastructure (DoI) has worked to improve this situation.

There remains, however, a need to ensure that the planning and monitoring of maintenance and renewal better reflects the government's better practice asset management principles. Mr Pearson noted that the recent buyback of the regional infrastructure lease provides DoI with the opportunity to ensure that this happens.

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Direct link to report: http://www.audit.vic.gov.au/reports_par/agp120cv.html

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