



PRIME MINISTER

PRESS STATEMENT NO 482

4 April 1975

JOINT PRESS STATEMENT BY THE PRIME MINISTER, MR. WHITLAM
AND THE SOUTH AUSTRALIAN PREMIER, MR DUNSTAN

The Australian and South Australian Governments have agreed on the terms for the transfer to the Australian Government of the non-metropolitan rail systems of South Australia.

They have also agreed that South Australia will now cease to be claimant State before the Grants Commission.

The announcements were made jointly today by the Prime Minister, Mr Whitlam, and the South Australian Premier, Mr Dunstan.

The agreements were concluded at discussions in Sydney on Wednesday between Mr Whitlam, Mr Dunstan, the Australian Treasurer, Dr. Cairns, and the Australian Minister for Transport, Mr Jones.

The Prime Minister and Premier emphasised that all employees of the S.A. Railways will be employed in either the State of Australian Railways service and that the terms and conditions of employment would be no less favourable than those presently applied.

The Australian Government will assume responsibility for the financial operation of the country and inter-State systems.

It will also assume the burden of the appropriate portion of the railways deficit as from 1 July 1974.

The metropolitan rail system will remain the property of South Australia and will be operated by the State Transport Authority.

There will be a cash adjustment involving a substantial payment to the South Australian Government this financial year, and an appropriate adjustment to the level of financial assistance grants in future years.

The agreement to transfer the South Australian non-metropolitan railways resulted from the offer contained in the Prime Minister's Policy Speech of November 1972 for the Australian Government to accept responsibility for the railways of any State.

"This agreement is a most significant event in the development of Australian railways and represents the first major step towards the creation of a truly national railway system," the Prime Minister and the Premier said.

"This agreement will benefit South Australia and Australian as a whole by enabling integration of Australian National Railways and S.A.R. systems; encouraging greater through-running of trains; fostering uniform purchasing and design programs enabling the better utilisation of capital funds; and removing unnecessary duplication between two of Australia's major railways. "

The decision to transfer only the non-metropolitan portion of the South Australian railways resulted from the recognition of the need to coordinate all Adelaide's urban transport modes under a single authority. However, the major freight terminals, and key freight and country lines in the metropolitan area necessary for the efficient operation of inter-State and country trains will be transferred to the Australian Government. Where lines are jointly used by urban and non-urban trains these lines will remain with the State but running rights will be granted to non-urban trains.

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