



PRIME MINISTER

87/92

**STATEMENT BY THE PRIME MINISTER, THE HON P J KEATING MP
FEDERAL GOVERNMENT TO REFURBISH THE INDIAN PACIFIC**

The Federal Government has agreed to refurbish the Indian Pacific passenger train at a cost of about \$12 million.

This will allow the existing transcontinental service to be marketed as a first class tourist attraction. The refurbishment will occur at the Port Augusta workshops over the next two years, providing significant employment in that region.

We will also upgrade South Australia's Islington rail workshops at a cost of \$4.4 million. The Islington workshops will be connected to the national standard gauge rail highway being created through the One Nation package announced in February.

With the \$3.5 million already being provided through One Nation for the Port Augusta workshops, these South Australian rail workshops will be well placed to compete for National Rail Corporation work.

These initiatives follow a number of measures for the rail industry in South Australia which are being implemented through One Nation and other Federal programs. These include redevelopment of rail land no longer required by Australian National, and \$8.4 million for labour adjustment and regional employment initiatives.

The Australian National Rail Commission has also been asked to provide the Government with a detailed business plan outlining an appropriate structure for AN in future. This will provide for an orderly transition to its new role with the establishment of the National Rail Corporation.

The South Australian Government will be consulted on those aspects of this plan which affect South Australia.

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In addition, the NSW Government has agreed to guarantee AN access to the Broken Hill-Parkes line until September 1997 to allow the Indian Pacific continued use of that route after standardisation of the Melbourne-Adelaide line.

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