

Media Release

The Hon Melissa Horne MP

Minister for Consumer Affairs, Gaming and Liquor Regulation

Minister for Ports and Freight

Minister for Fishing and Boating



Wednesday, 4 May 2022

MAINTENANCE BLITZ TO IMPROVE VICTORIA'S RAIL FREIGHT

The Andrews Labor Government is making another major investment in Victoria's freight rail network, boosting safety and reliability, while enabling producers to transport their product quicker and cheaper to port and to market.

The *Victorian Budget 2022/23* will deliver \$181 million for critical maintenance works to improve rail freight competitiveness and support the growing freight task that is vital to regional economies and supply chains.

With Victorian freight volumes set to nearly triple by 2051 and approximately \$26 billion of locally produced and manufactured exports passing through Victoria's commercial ports annually, the Labor Government remains focused on increasing the amount of freight transported by rail across the state.

Minister for Ports and Freight Melissa Horne was in Mitiamo today to announce maintenance works will be carried out on freight rail corridors across the State, with a focus on western, north-western, and metropolitan corridors, and the Benalla-Oaklands freight line.

The investment will support V/Line to continue vital maintenance, progressively improving load capacity and line speeds to significant rail freight and grain handling sites across regional Victoria, such as Mitiamo.

It builds on the Labor Government's \$83 million freight-improvement package introduced two years ago that has seen sleeper replacement, repairs to ballast and renewed level crossing equipment along almost 400 kilometres of critical rail freight lines.

This investment has increased speeds across the rail freight network and expanded the network to support trains with larger freight capacity.

In addition, a further \$3.5 million has been allocated to extend the Mode Shift Incentive Scheme (MSIS). The MSIS supports more than 170 freight industry jobs at intermodal terminals in regional Victoria and removes the equivalent of 28,000 truck trips from the state's roads every year.

It also enables rail freight companies to make transport costs competitive with road freight and allows exporters move their goods to port more efficiently.

The MSIS is one of many Labor Government initiatives helping move more freight onto rail, including the Port Rail Shuttle Network, on-dock rail at the Port of Melbourne and planning for the Western Interstate Freight Terminal (WIFT) in Truganina.

With \$6.1 million for planning in the *Victorian Budget 2022/23*, the proposed location for WIFT is on the doorstep of nearly 50 per cent of existing interstate freight rail customers, providing access to the hundreds of warehousing and logistics businesses in Melbourne's outer west.

It will also take thousands of trucks off local roads and significantly improve freight transport capacity on both the east-west and north-south national freight corridors, as well as capitalising on the benefits of the Inland Rail project.

The Victorian freight sector underpins the state's economy, contributing \$21 billion annually and employing 260,000 people.

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Quotes attributable to Minister for Ports and Freight Melissa Horne

“Rail freight is critical to generating strong economic growth across Victoria by ensuring our supply chains remain competitive and that hardworking Victorian farmers and producers can get their goods to market more efficiently and at a lower cost.”

“Freight volumes are set to soar in the coming decade so this maintenance investment will improve load capacity and line speeds, ensuring we have the best track conditions in almost two decades.”

Quotes attributable to Minister for Public Transport Ben Carroll

“Upgrades to the V/Line freight network will help support the state’s freight sector, enabling strong economic growth for Victoria well into the future.”

“By increasing the share of freight onto rail, it will reduce truck traffic contributing to safer roads, lower vehicle emissions and reduced congestion across the arterial network for all Victorians.”