

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, 18 May 2022

MORE RAIL FREIGHT SERVICES IN EAST GIPPSLAND

More rail freight services will run from East Gippsland to the Port of Melbourne this year, thanks to the Andrews Labor Government.

Minister for Ports and Freight Melissa Horne today visited the Fenning Intermodal Freight Terminal (FIFT) in Bairnsdale, where a test train arrived for the first time since rail freight to Bairnsdale ceased in 2009.

The milestone comes as part of stage one the FIFT site – which is a purpose-built dedicated intermodal freight terminal – to make rail freight more efficient for producers and businesses.

The site will also see significant development in the future, including the expansion of the freight terminal with increased warehouse capacity and storage facilities.

When regular services begin, it's expected that three freight trains per week will transport more than 10,000 containers every year to the Port of Melbourne by rail, removing more than 6000 truck trips from regional roads and delivering long term benefits to the Gippsland economy.

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

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.

The rail freight upgrades are being supported with funding from the Victorian Forestry Plan which provides more than \$200 million to support workers, businesses and communities. There is a planned transition with a stepped-down approach until 2030 that offers opportunities for the industry to diversify into different ways of working.

For more information about the Victorian Forestry Plan visit vic.gov.au/forestry.

Quotes attributable to Minister for Ports and Freight Melissa Horne

"The Victorian freight task is growing every year – that's why we're continuing to make these investments to make rail freight more efficient and benefit producers and businesses."

"The trains servicing this terminal will travel on tracks currently being upgraded to deliver faster speeds and higher payloads, providing better connections as a much-needed boost to the local economy."

Quote attributable to Minister for Agriculture and Regional Development Mary-Anne Thomas

"This will benefit the entire Gippsland community and support the growing freight demand to strengthen regional economies and supply chains, while supporting local jobs."

Quote attributable to Member for Eastern Victoria Jane Garrett

"This will make rail freight more efficient for producers and businesses – and deliver major benefits to the Gippsland community."

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Quote attributable to Fenning Timbers CEO Leonard Fenning

“We are incredibly proud to have the first freight train in Bairnsdale for 13 years here at the Fennings Intermodal Freight Terminal.”