

# Media release



## FROM THE OFFICE OF THE PREMIER

**DATE: Wednesday, July 16, 2008**

### **FUTURE OF PORTLAND TO MAROONA RAIL LINE SECURED**

An historic agreement between the Rudd and Brumby Governments will secure the future of the Portland to Maroona rail freight line, deliver major upgrades and position the region as part of a national freight network.

In Portland today, the Premier John Brumby said the Victorian Government and the Commonwealth's Australian Rail Track Corporation (ARTC) had negotiated a long-term lease agreement for the ARTC to manage the standard-gauge line until 2059.

"We are taking action to build on the sustainability of Victoria's rail freight network and this historic agreement will create significant opportunities for the line to transport new and emerging commodities," Mr Brumby said.

"It means the Portland to Maroona rail freight line will now be upgraded to improve track speed by the ARTC, securing its future as part of a national rail freight network – this is great news for communities in the state's south-west and the Port of Portland."

The Portland to Maroona agreement forms part of a landmark deal between the Rudd and Brumby Governments to inject \$501.3 million to revitalise Victoria's key freight corridors, including along the north-east rail corridor converting the Seymour to Albury-Wodonga track from broad-gauge to standard gauge, creating an interstate rail freight super-highway.

Mr Brumby, Roads and Ports Minister Tim Pallas, Public Transport Minister Lynne Kosky and ARTC chief executive David Marchant, inspected the Portland to Maroona line in Portland today.

"Today's announcement also marks a major milestone in our Government's commitment to moving freight by rail because now every 'gold line' identified by Tim Fischer in the Regional Rail Freight Review will benefit from major upgrades," Mr Brumby said.

"It builds on our \$133.8 million buyback of the regional rail freight network

from Pacific National last year, the \$43 million we committed in March this year to upgrade major 'gold lines' in Mr Fischer's report and our \$171 million contribution to major improvements to the freight corridor between Albury-Wodonga and Melbourne."

Public Transport Minister, Lynne Kosky, said that under the agreement, the ARTC would undertake significant upgrades to the line, increasing train speeds to 80-kilometres per hour.

"This means the line would be available to transport grain and industry in the south-west has indicated a strong interest in using the line to transport new and emerging commodities," Ms Kosky said.

"While we are still in early discussions, there is the prospect of the line being used to transport timber and mineral sands which will both significantly increase the volume being carried on the line in coming years."

Roads and Ports Minister Tim Pallas said the Portland to Maroona agreement would mean rail access to the trading ports of Geelong and Portland would be managed by the ARTC under the same access regime, providing consistency for users.

"The Port of Portland is one of Victoria's most important trading points and an international export gateway for south-west Victoria, handling about \$1.5 billion in trade annually and growing," he said.

"The Brumby Government is securing the long-term viability of the Portland to Maroona line for south-west Victoria's manufacturing and exporting green triangle and this agreement will ensure the rail freight network is competitive and sustainable in the long-term."

The ARTC currently leases the Melbourne to Albury-Wodonga standard-gauge line and the Melbourne to South Australian border standard-gauge line under an agreement that was due to expire in 2014. Under the new agreement signed in May, the ARTC's lease has been extended by 45 years to 2059.