

# Media release



## FROM THE OFFICE OF THE PREMIER

**DATE: Monday, April 21, 2008**

### **VICTORIA'S RAIL FREIGHT LINKS RECEIVE A \$42.7 MILLION BOOST**

Victoria's major rail freight lines will be improved through a \$42.7 million package, reinforcing the Brumby Government's commitment to a sustainable rail freight network.

Premier John Brumby said the funding would upgrade major freight rail lines earmarked in the Rail Freight Network Review to achieve improved speed limits and deliver general maintenance, boosting the efficiency of the rail freight network.

"We have continued taking action to build on the sustainability of Victoria's rail freight network and this major boost will mean important freight lines can be upgraded," Mr Brumby said.

"When the Government invested \$133.8 million to buy back the rail network last year we began immediately the important task of priority upgrades and today's announcement adds to that commitment."

The package is the Brumby Government's next step in responding to recommendations made in the Rail Freight Network Review, chaired by the Hon. Tim Fischer AC and released in December last year.

"The final report outlined a range of options for Victoria's freight network and we responded immediately by establishing a rebate for access charges for domestic grain handlers," Mr Brumby said.

"The Government also previously announced a \$20 million Rail Freight Support Package to keep container and export grain freight on rail.

"These initiatives are providing vital, short-term support and we are acting to provide longer term support by upgrading key freight lines."

Public Transport Minister Lynne Kosky said \$23.7 million in funding would go towards the first stage of *Gold Lines* upgrades as recommended in Mr

Fischer's Rail Freight Network Review. In addition \$19 million would be allocated for general maintenance across the freight network.

"These *Gold Lines* form a core grain network and were identified in the report as the first priority for rehabilitation of the network. That's why the Brumby Government is taking action on Mr Fischer's recommendations," Ms Kosky said.

*Gold Lines* to be upgraded are:

- Korong Vale – Quambatook;
- Korong Vale – Charlton;
- Murtoa – Warracknabeal;
- Shepparton – Tocumwal;
- Swan Hill – Piangil; and
- Mildura – Yelta.

Ms Kosky said *Gold Lines* between Dunolly – Korong Vale and Echuca – Barnes had already been upgraded. Mr Fischer's report recommended the *Gold Line* between Maroona and Portland for rehabilitation in 2010-11.

"We are committed to transporting freight by rail and the Brumby Government has worked hard to overcome a flawed Kennett Government privatisation of the regional rail network, which had not required the private operator to invest in maintaining the track," Ms Kosky said.

"The \$73 million upgrade of the Mildura line and the Dynon Port Rail link combined with the *Gold Lines* further improve the infrastructure needed to continue to transport freight by rail.

"It has been a challenging time for the freight industry – drought has reduced freight volumes which has reduced demand for rail services and put economic pressure on grain handlers, container terminal operators and rail freight operators alike.

"The Brumby Government's immediate support package and these vital infrastructure projects will help keep freight on rail."