



Budget Boost for Inland Rail Critical to Australia's Economic Future

The Federal Government's half a billion dollar funding boost to the iconic inland rail project is critical to improving the efficiency of Australia's supply chains and is strongly backed by the [Australian Logistics Council](#) (ALC).

"Inland rail is critical to Australia's freight future given the expectations of the growth in the freight task and I therefore welcome the Government's significant funding commitment to acquire the land necessary to construct Inland Rail," said Michael Kilgariff, ALC Managing Director.

"We also note tonight's announcement to retain the Australian Rail Track Corporation in Australian Government ownership.

"This decision represents a significant commitment by Government to the Inland Rail project and we look forward to this ownership arrangement supporting the timely and efficient delivery of the project.

"With our freight task expected to triple by 2050, rail simply has to make a greater contribution to the movement of freight along Australia's north-south corridor.

"ALC's [2016-2017 budget submission](#) called on the Government to actively fund and manage this nationally significant infrastructure project to bring it to fruition and I am pleased the Government has allocated \$594 million in additional equity funding to take the next step in the project's development.

"The 1700 kilometre link between Brisbane and Melbourne will transform the way we move freight around the country, and in effect will complete the spine of the national freight rail network. The project will also reduce pressure on our road infrastructure and improve the global competitiveness of our exporters.

"ALC stands ready to work with the Government to progress the next stage of the project's development," he said.

Mr Kilgariff also welcomed the Government's commitment to allocate funds from the Asset Recycling Fund to support future infrastructure projects and said that projects supported under the Fund needed to be in Australia's long term economic interests.

"ALC has always supported asset recycling as a way to raise funds for high priority infrastructure projects, and so we applaud the Government's commitment to allocate significant funding to progress a number of road and rail projects," he said.

"It is critical however that these projects are in Australia's best long term economic interests and deliver real returns to the economy by supporting more productive supply chains and facilitating the more efficient movement of freight.

"We also acknowledge the Federal Government's \$220 million to upgrade the Murray Basin Freight Rail network, but note that the funds, which are part of the \$1.5 billion Victorian Infrastructure Package, are provided conditional on the Victorian Government matching dollar for dollar," he said.

Other budget funding of note for the logistics industry include:

- \$228.7 million National Highway Upgrade Programme
- \$15.6 million to the National Heavy Vehicle Regulator to progress safety measures, with funds coming from the abolished Road Safety Remuneration Tribunal
- \$52 million to remove 43 bottlenecks on the Sydney road system as part of the 'pinch point' project.

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