

MEDIA RELEASE

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For immediate release.

\$120 MILLION BUDGET ALLOCATION FOR RAIL REVITALISATION IN TASMANIA

Treasurer Wayne Swan announced in the budget last night that TasRail will be the recipient of \$120m over 5 years for Rail Revitalisation.

The Freight Rail Revitalisation Program will raise the quality of the major lines on the Tasmanian rail network through selective concrete and steel re-sleepering, upgrading old rail and bridges as well as culvert strengthening, drainage and formation work.

TasRail CEO Damien White was very pleased that the Australian Government continued to recognise the importance of the revitalisation of rail in Tasmania.

“This funding is a vote of confidence in the future of freight rail in Tasmania and will liberate capacity for TasRail’s freight customers.” Said Mr White.

“The capital replacement program for TasRail being funded under Nation Building 2 gives Tasmanian freight rail significant improvements in reliability.”

The \$120m is a major contribution to the Rail Revitalisation project started under the first round of Nation Building funding.

TasRail will carefully consider the detail of the budget allocation in relation to the next phase of works to be undertaken. The target for the funding is likely to be the roll out capital replacement works on the West Coast and North/South Corridor.

“We will continue to work closely with the Australian Government Department of Infrastructure and Transport and the State Government Department of Infrastructure, Energy and Resources to prioritise activities and ensure that the full scope of works for above and below rail improvements are delivered.” said Mr White.

The project will reduce the operational costs of freight movements by providing additional rail capacity, improved reliability and reduced transit times.

Ends

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About TasRail

TasRail is a State-owned Company, established on 1 December 2009 by an Act of the Tasmanian Parliament. The principal objectives of the business are set out in the Rail Company Act 2009 and require the Company to operate a rail business in Tasmania, effectively and efficiently and to operate its activities in accordance with sound commercial practice.

With a workforce of around 250 men and women, Tasmania's current freight task is approximately 2.5 million tonnes per year – generating annual revenue in the order of \$30 million. Since it was established, TasRail has spent \$97.7 million purchasing goods and services from more than 900 Tasmanian Companies.

TasRail conservatively estimates that the freight it transports by rail each year effectively removes the equivalent of 100,000 B-Double truck movements from the State's road network. Even after taking into account the total of TasRail's reported annual carbon emissions (fuel and energy), this equates to a net reduction in greenhouse gas emissions of some 45,800 tonnes.