

Murray Basin Rail: Premier’s Office Position “Out of Step” with Freight Reality

Only reinstatement of direct rail route will cut trucks on Melbourne roads and unlock regional investment

Rail freight operators on the Mildura line are being forced to detour around unfinished sections of the Murray Basin Rail Project; adding 260 km to a round trip enroute to the ports of Melbourne and Geelong. While the Victorian Government has sought to mitigate these impacts by permitting longer but less frequent trains, it is not the solution

A key claim from the Office of the Premier last month that “**longer and heavier trains provide cost savings... without the need to run additional services**” has been challenged as being out of step with the operational realities of freight in northwestern and central Victoria.

Industry representatives say **the focus on train length overlooks the real issue**: train cycle times, service frequency, and network efficiency.

“**Freight in northwest Victoria doesn’t operate on a ‘wait and fill a longer train’ model; it operates every day,**” said Ouyen Inc’s Deane Munro said.

“**If rail can’t meet that daily task, the freight goes by road. It’s that simple.**”

For major export industries: including fresh fruit and almonds, supply chains are driven by weather and harvest demands, cool room operations, customer demand, and fixed shipping schedules etc. These factors require **daily freight movements to port, a need currently met more than 80% of the time by road transport.**

Road transport industry want rail; but it must align with ‘real world’ freight demand

Mr Munro said, key intermodal freight accumulators and transport operators want to use the Mildura line. But current policy settings from the Premier’s Office equate to three longer trains per week, so they still need a full fleet of trucks and drivers to service customers in between train days and then forced to stand them down on those days when the train does run. **The Premier’s Office position of longer and less frequent trains does not deliver productivity gain, instead we have a system failure.**”

The numbers tell a story

- Reinstating the direct Mildura–Melbourne rail route via Ballarat and Gheringhap would deliver at least a **33% productivity improvement**, compared to the existing 130 km detour via Ararat.
- A direct route would enable **5 or more train services per week** (at approximately 1.2 km per train), equating to more than **6 km of weekly freight capacity**.
- The current alignment supports a maximum of **3 services per week**, even with longer trains (~1.5 km), resulting in lower overall throughput of around **4.5 km of weekly freight capacity** .

The above principles extend beyond far northwest Victoria, applying across the Murray Basin network: **from intermodal freight in the Mildura / Sunraysia region to moving grain from Birchip to Geelong.**

A statewide benefit

Reinstating the direct route to Geelong Port and the Port of Melbourne would allow rail to operate at a frequency that aligns with ‘real world’ freight demand: making it very competitive with road.

“**This is the shift Victoria needs: fewer trucks on regional and metropolitan roads, and a more efficient freight system overall,**” Mr Munro said.

The bottom line

For Murray Basin Rail, success won’t be determined by train length; it will be determined by train cycle times, service frequency and interoperability of rolling stock across the network. With this approach, rail can once again become the primary mover of freight to port.