

Media Release

10 June 2019

Aurizon welcomes funding for Mt Isa – Townsville rail corridor

Australia's largest rail freight company, Aurizon, has welcomed the Queensland Government's commitment to address high track access charges on the Mt Isa rail corridor which have contributed to more heavy and bulk freight being carried on road.

Aurizon trains transport minerals, industrial products and livestock for customers on the Townsville to Mount Isa rail corridor. Aurizon and its customers pay rail access charges to Queensland Rail to use the track. These charges are substantially higher than what trucks pay to use the taxpayer-funded highway between Mount Isa and Townsville.

Yesterday the Queensland Government announced it would provide \$20 million a year for four years, starting 1 July 2019, to reduce rail access charges on the Mount Isa line. The Government has previously announced \$380 million of funding over five years to maintain and improve the line.

"Aurizon welcomes these initiatives to improve the cost and performance of rail infrastructure which is critical to the economic success of the north west minerals province," said Sarah Dixon, General Manager of Aurizon's Bulk East business, who is based in Townsville.

"Customers keep telling us they would rather use rail freight on the Mount Isa corridor and our communities see the improved safety outcomes from bulk commodities being on rail but the high access charges make it prohibitive. This alone makes it hard for our business to remain competitive with road trains and B-triples which pay only a fraction of the cost to use the road.

"Rail freight really should do the heavy lifting for bulk goods and minerals because it is more efficient, safer and has a far smaller carbon footprint than road freight. This should be the case on the Mount Isa line which is one of the nation's most important export supply chains.

"Aurizon knows rail has enormous potential in contributing to the economic success and continued growth of this region. We have invested in facilities and a workforce located in Townsville, Hughenden, Cloncurry and Mount Isa. But we must continue to level the playing field for road and rail. When this happens, competition thrives and consumers, business and local communities reap the benefits," Sarah said.

For more information please contact Corporate Affairs at media@aurizon.com.au