

Support for Rail Freight Welcomed

Today the Rail Freight Alliance (RFA) welcomed the Victorian Government budget announcement of \$4 million dollars for the continuation of the Mode Shift Incentive Scheme (MSIS).

The Mode Shift Incentive Scheme is an incentive program that encourages industry to shift more freight from road to rail. Its aim is to increase efficiency and cost effectiveness in the rail freight sector and reduce congestion on roads in and around freight and port precincts.

The Rail Freight Alliance have been longtime advocate of the MSIS

“This scheme is vitally important to several regional intermodal operators, many stating that the MSIS is the reason they are still operating. The beneficiaries of this scheme go far beyond the intermodal terminal operators. This scheme eases congestion increases road longevity and road safety and allows access to Ports, RFA Chair Cr Glenn Milne said.”

At the RFA Conference in June 2018, Minister Allan announced that the MSIS funding of \$4 million dollars for a further 12 months. The scheme was due to conclude at June 30th this year. The scheme has been very successful over many years to encourage the transfer of freight from road to rail, reducing congestion and improving safety for all road users.

“The Alliance congratulates the Victorian Government, this is a great announcement, however in the term of this government certainty is needed,” RFA Chair, Cr Glenn Milne said. “The Alliance believe that the MSIS should be funding at a level of \$5 million dollars per year to be reviewed June 30th, 2022. This will ensure certainty around any investments these operators make, as opposed to an annual budget announcement a few weeks out from the potential cessation of the program.”

ENDS

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