Delivering the Goods

Creating Victorian Jobs – Victorian Freight Plan

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# Introduction

**Moving goods to, from and around Victoria is vital to our economy and enhances our standard of living. More needs to be done to safeguard freight networks for the future.**

Victoria is growing faster than any other state. An increase in Victoria’s gross product by $40 billion over the next three decades will see freight volumes nearly triple.

This growth brings economic prosperity and productivity.

High-quality, reliable freight transport and logistics services are essential to our connectedness and liveability, for the success of Victorian businesses and primary producers and job creation across all parts of our economy.

That’s why we were pleased to launch Delivering the Goods – Victorian Freight Plan, a state-wide plan that identifies future challenges and opportunities that freight and logistics businesses, their customers and local government have raised and the initiatives needed to address these.

# Victorian Freight Plan

Victoria’s new freight plan is a state-wide plan for what needs to be done to support industries involved in the movement of goods. It builds on our work of the last decade in a way that enhances Victoria’s economic prosperity and liveability.

The Plan sets out short, medium and long-term priorities and actions to support our freight and logistics system through this period of unprecedented growth and rapid change in the broader environment, while allowing us to embrace new opportunities in the future.

The Plan gives Victorian businesses a framework in which to operate and to make critical investment decisions. It ensures we can deal with a growing population and growing freight volumes while preserving the things that make Victoria a great place to live.

## Our priorities

The Plan outlines the initiatives we will take over the next five years, either on our own, with industry, other tiers of government and the community to improve how we move Victorian goods to their markets.

The Plan identifies future challenges and opportunities for freight and logistic businesses, local government and the community and the initiatives needed to address these.

### All actions under the Plan are focused on five key priorities:

1. Planning and protecting current and future freight corridors and places;
2. Reducing the impact of congestion on supply chain costs and urban communities;
3. Using our rail freight assets better;
4. Planning for Victoria’s future port capacity; and
5. Staying ahead of the technology curve.

## Victoria’s Freight Task

As the nation’s largest exporter of agricultural commodities and the engine room of manufacturing, Victoria is the freight and logistics capital of Australia.

The total Victorian freight task is about 270 million tonnes per annum, 40 million tonnes is generated in the regions and 230 million tonnes in metropolitan Melbourne.

The food-and-fibre sector accounts for around half the state's total goods exports. Victoria exports the most dairy, fruit, nuts and prepared foods of any state in Australia.

Victorian freight is generally high in value. Dairy product exports are worth $1.9 billion and food exports $10.2 billion.

## Victoria’s Freight Advantage

Unlike in other states, Victoria's freight is generated by a multitude of different sources. Our reliance on food-and-fibre and manufacturing means exports are collected from thousands of farms and factory gates right across the state.

Better freight connections are essential to the success of Victorian businesses and primary producers and – ultimately – to job creation across all parts of our economy.

Victoria’s freight advantage is reinforced by two curfew-free airports that carry a third of the nation’s air freight. While only about 1 per cent of freight by volume is moved through Melbourne and Avalon airports, it represents 20 per cent by value.

To build and maintain our advantage as the freight and logistics capital of Australia, more will need to be done. We can't stand still.

# Freight at a glance

* Victoria's population will grow from 6 million in 2016 to 10 million in 2050
Melbourne's population will grow from 4.6 million in 2016 to 8 million in 2050
* Freight volumes are expected to go from 360 million tonnes a year in 2014, to nearly **900 million tonnes by 2051**
* Freight volumes in **regional Victoria** are forecast to grow at an annual average rate of **1.5 per cent** each year between 2014 and 2051
**Metropolitan freight** is expected to grow at an average annual rate of **2.6 per cent** over the same period
* Victoria accounts for almost a third of Australia's total food and fibre exports
* $26 billion worth of Victorian goods exported each year
* 260,000 Victorians employed by the freight and logistics sector

# Freight Victoria

Our work is about more than transport. It’s about connecting people with jobs and connecting products with markets. It’s about investing in major road upgrades and major rail projects right across the state.

Freight Victoria is a dedicated team within the Department of Transport. Its key task is to implement Victoria’s new freight plan and help fulfil the state’s potential to increase gross state product by $40 billion by 2040.

It is a central point of contact for the freight and logistics industry, local government and primary producers.

## Our partners

Freight Victoria works closely with government transport agencies with responsibilities in freight,and transport project delivery agencies, in coordinating the development and delivery of its program to support the State’s freight and supply chain system.

Freight Victoria will also coordinate existing industry engagement forums and harness private and public-sector investment in Victoria’s freight network.

# Our Projects

Projects are underway across Victoria to move freight more efficiently. Projects such as:

* Freight-Passenger Rail Separation Project
* Inland Rail (Commonwealth Government project)
* Murray Basin Rail Project
* Regional Rail Revival
* West Gate Tunnel
* North East Link

For more information visit <https://transport.vic.gov.au/ports-and-freight>