

Rail industry welcomes rail funding in Federal Budget

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The Australasian Railway Association (ARA) has welcomed rail funding in the 2026-27 Federal Budget, including \$1.75 billion for national freight network improvements and \$3.8 billion for Victoria's Suburban Rail Loop.

ARA Chief Executive Officer Caroline Wilkie said the strong investment in rail, despite a more constrained economic environment, demonstrated rail's essential role in driving Australia's growth and sustainable development.

"The ARA welcomes this strong investment, which reinforces the critical importance of freight and passenger rail to the economy and community," Ms Wilkie said.

"Today's funding recognises rail investment unlocks growth, connects industry and improves community outcomes across the country.

"Whether it be for passenger rail or freight rail, the economic and social gains always justify the public investment.

"New funding for the Australian Rail Track Corporation (ARTC) will make our freight network more productive, efficient and resilient at a time where greater use of rail is more important than ever.

"Additional investment in Suburban Rail Loop East creates much needed certainty for industry and paves the way to redefine how people live, work and move throughout Melbourne."

Rail funding in the budget included:

- **Suburban Rail Loop East** – an additional \$3.8 billion for the project, bringing the Federal Government's total investment to \$6 billion
- **National rail freight network upgrades** - \$1.75 billion in additional ARTC funding to support the maintenance, upgrade, modernisation and resilience of the national freight network
- **High speed rail** – Continued funding (\$659.6 million over three years from 2025-26) for development works for the Newcastle-Sydney route
- **Melton Line electrification** – \$76.4 million for the electrification of the rail line in Victoria
- **Fuel incentive scheme** – \$55 million for the Transport Resilience and Capacity Kickstart program to promote greater use of rail freight in response to the fuel crisis
- **Sydney-Canberra rail corridor upgrades** – \$50 million (in addition to \$25 million each from the NSW and ACT governments) to deliver upgrades to the rail network
- **National Freight Data Hub** – \$1.9 million to continue efforts to standardise accessible freight data
- **Supply chain** – \$1 billion in interest free loans through the National Reconstruction Fund's Economic Resilience Program to provide cashflow relief to manufacturing and logistics businesses, including freight businesses, in critical supply chains.

Ms Wilkie said the budget responded to ARA advocacy for greater investment in the rail network to ensure Australia could meet future freight demand.

She said further measures to support the manufacturing and logistics sectors – including freight – recognised the importance of keeping Australia moving as the fuel crisis unfolded.

The ARA also welcomed the continued funding for development works in high speed rail, noting the importance of investment certainty when preparing for this nation-building project.

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