

Tuesday 25 March, 2025

FEDERAL BUDGET 2025-26: INVESTMENT IN CRITICAL RAIL PROJECTS SUPPORTS AFFORDABLE HOUSING AND JOBS

Further investment in critical rail infrastructure will transform public transport networks and connect communities to more affordable housing and job opportunities, the Australasian Railway Association (ARA) says.

ARA CEO Caroline Wilkie welcomed \$3 billion for new rail projects in the Federal Budget 2025-2026, as part a total \$17.1 billion investment in new and existing transport infrastructure projects.

The Federal Budget 2025-26 allocated \$2 billion to upgrade Sunshine Station to support the delivery of the first rail link to Melbourne Airport and \$1 billion to preserve rail corridors to the new Western Sydney International Airport.

“These funding commitments confirm what we already know – that investment in rail delivers huge economic, environmental and social benefits, as we have seen with the successful Sydney Metro,” Ms Wilkie said.

“Investment in major rail projects future-proofs communities along the rail corridor. It supports more affordable housing, takes thousands of cars off the road and connects people to more job opportunities, health and education precincts.”

The Federal Government has allocated \$2 billion in funding to create a new rail hub at Sunshine, with new platforms and tracks which would play a key role in the proposed Melbourne Airport Rail Link.

The planned new station will allow travellers on V/Line regional services from Geelong, Bendigo and Ballarat to bypass the city and go directly to the airport.

“The Melbourne Airport Rail Link, as part of the broader Suburban Rail Loop project, is a critical piece of transport infrastructure that will benefit Melbourne and regional communities,” said Ms Wilkie.

“It will not only provide an essential public transport link for commuters and business but support the local tourism industry.”

The Federal Government has also committed \$1 billion to preserve land corridors to facilitate the building of future rail extensions from south-west Sydney to the new Western Sydney International Airport.

“Closing the rail loop and connecting the new Western Sydney International Airport will support future growth in the entire Western Sydney region, unlock much-needed housing supply and contribute to net zero targets by getting more people on rail,” said Ms Wilkie.

Investment in rail in the Federal Budget 2025-2026 includes:

- \$2 billion additional funding for the Melbourne Airport Rail Link to transform Sunshine Station and advance the construction of the rail link connecting Melbourne's city centre to the airport
- \$1 billion to preserve rail corridors connecting south-western Sydney to the new Western Sydney International Airport
- \$325 million towards the Melton line upgrade, to increase the rail capacity by 50 per cent
- \$20.5 million towards planning for Melbourne Western Suburbs Rail upgrades
- \$7.05 million towards planning for Melbourne Northern Suburbs rail upgrades
- \$125 million for Curtis Road Level Crossing Removal

The Budget also allocated \$219.3 million over two years from 2024-25 to provide immediate on the ground support and to stabilise the Whyalla Steelworks, which supplies steel for the nation's rail and construction industries, during administration.

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