

RAIL FREIGHT: VITAL IN SECURING AUSTRALIAN DIESEL SUPPLY

9 April, 2026

The Freight on Rail Group (FORG) is reminding State and Federal Governments of the critical role that rail freight can play in maximising the use of Australia's diesel stocks.

FORG acknowledges the responsiveness that the Government has shown to the road freight sector, and understands the intended objective in the current circumstances. However, there is no doubt that the decision to remove road charges in the trucking sector will adversely distort the market, shifting freight off rail and onto our roads.

FORG welcomes the news of the current ceasefire, but believes that Australia must continue contingency planning around diesel security. "The ongoing impact to supply arrangements are likely to continue for some time," FORG Chair Geoff Smith said. "Rail freight will continue to be a key aspect of the national response, particularly in the event of further disruptions."

"Rail freight is considerably more diesel efficient in moving large volumes over longer distances compared to the road freight sector." Mr. Smith highlighted. "Freight rail moves essential goods every day, including food and groceries for Australian households, as well as strategically important exports that underpin national income and regional jobs. This sustains the nation's economic sovereignty."

"The retention of existing rail freight on the network must be a priority. In turn, the potential to utilise current rail network capacity provides government a unique opportunity in maximising our diesel usage and preserving supplies across the broader Australian supply chain," Mr Smith said.

FORG has made an approach to Federal and State Governments that will extend the life of the nation's diesel stocks, and preserve supplies of critical groceries, consumer goods and industrial freight. "We are seeking an equivalent incentive package to the trucking sector which will help ensure that we don't squander the significant contribution rail can make in reducing fuel usage. We look forward to a quick resolution to the current discussions with Government in this time of national crisis." Mr. Smith concluded.

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FORG consists of the nine major rail freight businesses in Australia: Pacific National, Australian Rail Track Corporation (ARTC), One Rail Australia, Aurizon, Qube Holdings, SCT Logistics, Arc Infrastructure, WatCo Australia, and Southern Shorthaul Railroad (SSR).

These rail freight companies contribute more than \$11 billion each year to the nation's economy, employ 20,000 people (many based in regional Australia), operate in every mainland Australian state and territory, utilise 1,600 locomotives and 34,000 wagons, and manage and operate 23,000 kilometres of rail track.