

## **Latrobe Valley to become rail freight gateway**

Australian Paper has signed a rail freight contract with Qube Logistics to develop a rail freight terminal in the Latrobe Valley to assist Gippsland businesses transporting goods to port.

Qube Logistics has already begun seeking proposals from third parties.

Businesses will then be able to truck goods to the proposed terminal where they will be loaded on to 40 foot shipping containers, making it easier for the goods to then be loaded onto container ships.

“The upgrade will take the burden off the region’s roads,” says Australian Paper Chief Executive Officer, Jim Hennebury, adding that the deal has the potential to replace more than 200 truck movements per month between Melbourne and the Latrobe Valley.

Australian Paper freights less than half of its 600,000 tonne per annum output to Melbourne via rail but hopes to be able to increase its rail freight by up to 40 percent when the new terminal rolls out.

Qube's Chief Alliance Officer, Charles Stott said the upgraded 50-carriage consist would provide a different pathway to port for local manufacturers.

“There is a lot of volume going up and down in trucks, which ultimately ends up on ships. This will skip that step,” says Stott, adding that it would also allow the company to increase the service's load capacity, while allowing for the addition of third party carriages.

Local lobbyists have been arguing for improved rail freight logistics in Gippsland for a long time, believing it plays a crucial role for agri-businesses and potential brown coal export industries.