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MEDIA RELEASE

## **ALC moves to fast-track freight rail as diesel pressure builds**

The Australian Logistics Council (ALC) will expand its Freight Rail Taskforce, bringing all the right companies in end-to-end supply chain together to shift more freight onto rail - fast.

The decision comes as diesel costs and supply pressures continue to hit the freight system, tightening margins and exposing how heavily Australia still relies on road transport – we need to get the balance right and see freight rail as an essential tool.

ALC discussed the approach with the Australian Government earlier this week, and a formal proposal has now been submitted.

ALC CEO Dr. Hermione Parsons said the next phase is about getting on with it.

*“We’ve done the diagnostic work. We know the constraints. The focus now is delivery,”* Dr Parsons said.

*“Freight rail networks are already there. It’s a national capability we’re not using properly - and in this challenging geo-political environment, that’s a problem.”*

*“Diesel pressure, workforce shortages and global instability aren’t easing anytime soon. That puts a spotlight on how the freight transport system is working.”*

Rail carries the largest share of Australia’s freight task by tonne-kilometres - but on key container freight routes, it remains underused.

On the Melbourne–Sydney corridor, it drops to around 2 per cent and in port rail shuttling utilisation is disappointingly low despite years of significant private and public sector investment.

*“It means more diesel being burned than necessary per tonne of freight and more pressure on a strained driver workforce.”*

A single 1,800-metre freight train can replace 75 to 150 trucks. It uses significantly less diesel per tonne and requires a fraction of the workforce to move the same volume. Critically, the truck transport sector faces a severe driver shortage, with around 28,000 vacancies nationwide.

*“In a fuel-constrained, workforce-constrained environment, none of this is marginal.”*

The expanded Taskforce will focus on where freight rail can take more of the load now - and what needs to shift to make that happen.



The work will focus on the practical barriers - operational, commercial and regulatory - and push through what's needed to get real movement on key corridors.

*"This isn't theoretical – we don't need another freight rail report,"* Hermione Parsons said.

*"It's about using what we've already built, properly. If we get this right, we reduce diesel exposure, take pressure off the workforce, and build a more resilient system for Australia's future."*

Major operators, including Qube, Aurizon, Pacific National, Linfox, Primary Connect, Australia Post, NSW Ports, Port of Melbourne, Port of Brisbane, ARTC and the National Intermodal Corporation are already involved.

*"This needs to move at pace,"* Dr Parsons said.

*"Diesel is the most significant fuel underpinning every aspect of the economy, and freight transport isn't a side issue. What we do underpins everything - food, fuel, health, defence, the lot. And our system is under pressure because an essential tool – freight rail – is underutilised."*

*"The economy and society need freight rail now."*

#### **Media Inquiries**

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