Submission on Freight Policy Reform:
A response to the Interim Directions Paper (IDP) September 2024

[redacted]

The Panel has produced a very useful report with many valid recommendations to guide NSW freight policy reform. I agree with virtually all the issues identified in need of reform, much of the analysis thereof, immediate actions proposed and directions for future reforms. My intent is not to critique what is proposed by the Panel, but rather to draw attention to important NSW freight matters either neglected, or omitted entirely, from the scope of the IDP in terms of data, analysis and discussion as well as conclusions on actions and directions.

The principal omissions I identify relate to the need for a *truly comprehensive comparison of the merits of freight by road versus rail* featuring: implications for safety; costs of construction and maintenance of infrastructure; attracting requisite personnel; mitigation of greenhouse gas emissions; resilience to natural disasters and external strategic threats; and broadening the scope to regional NSW, including serious evaluation of non-operational railway lines. Granted, all of the above were mentioned, in the freight reports of April and September, but they were not fully investigated, nor were provisions envisaged to do so.

As suggested by the IDP, transparent fulsome data is key to determining optimal freight strategies. The April and September freight reports laud the achievements of modern PBS trucks in improving safety relative to traditional trucks, however these need to be compared with rail freight safety. Once suicide (arguably a health policy issue) is excluded, deaths on NSW heavy rail lines are low. They are trending downwards: 1 in 2020, 3 in 2021, 6 in 2022 and 4 in 2023 (not counting suicide, though it too is decreasing) the lowest rates since 2001.[2]

Consideration is warranted of the impact of the forecast increase in population and freight on road deaths (and related trauma) if the state, and indeed national, extreme dependence on roads persists. Safety would also be improved with less car traffic, which could be a corollary of an improvement in passenger train services alongside freight.

The IDP examines the problem of driver shortages on trucks and trains, pondering how to alleviate it. According to the International Road Transport Union in Australia there are 26,000 truck driver positions unfilled in 2024.[3] Given the capacity of a single train to carry up to 300 containers, whereas a truck can only take 3-10[4], it appears to be a 'no brainer' that, on balance, trains require significantly fewer drivers. This suggests one reason why trucking companies like Linfox are now turning their gaze to rail as an alternative. Moreover, part of a solution to train driver shortages in periods of full employment is to pay them more.

Decarbonisation too demands statistical comparisons, both now and in the future, between road and rail. The IDP attests that already rail emits 16 times less carbon than road freight according (citing the Australasian Railway Association 2024) but then baulks at the challenges involved in making the modal transition across the state. Alas, failure to mitigate climate change will incur exponentially more severe weather impacting adversely on freight. (This is not to mention coastal cities being submerged under rising sea levels by century's end, though this is a prospect governments appear unable or unwilling to contemplate).

---

[1] Note the views expressed are my own and are not intended to represent UNE.

[2] Tracksafe Foundation, *Fatalities, injuries & near misses on the NSW heavy rail network 2001-2023*, 2024, p6

[3] 'Truck driver shortage threatens empty shelves, higher prices', news.com.au 11 July 2024

[4] Move your freight on rail, https://www.artc.com.au/move-your-freight-on-rail/, accessed October 2024

The cost of building and maintaining roads to carry heavy trucks is mentioned in passing, yet not systematically compared with rail which is demonstrably cheaper over the longer term given the comparatively low cost of repair. There is more emphasis by the IDP on electrifying trucks than electrifying trains even though the authors recognizes that long haul zero emission trucks will be heavier and require more expensive road construction.

Strategic dependence on imported fossil fuels is alluded to in the IDP with reference to Australia holding only two months of oil reserves, though this is not explored in any depth. This is a longstanding risk that successive Australian governments have failed to address. The threat to our fuel security is even more pressing with the escalation of wars in the Middle East, war between Russia and Ukraine possibly extending to NATO, potential hostilities between the US and China over Taiwan, and Australia regarding China as its main security threat. Apart from skilful, concerted diplomacy to avert these worst case scenarios, Saul Griffiths and Alan Finkel have proclaimed that the solution to climate change and fuel insecurity is to 'electrify everything' as soon as possible with renewable energy.

The terms of reference state that: 'The focus of reform is on the entire freight logistics chain within NSW…' Yet the IDP's actual focus is on the ports, rail, roads and intermodal terminals of Greater Sydney with some discussion extending to the Illawarra and Hunter regions, coupled with a limited foray into Inland Rail and the grain network.

The rest of regional NSW barely rates a mention in relation to an ostensible overarching goal of the IDP, which is to shift freight from road to rail with a view to maximising efficiency, improving safety, reducing emissions and increasing resilience to burgeoning threats posed to vital freight movements. Instead, the impression conveyed by the IDP narrative is that the tremendous benefits from radical modal shifts are to be gained in a metropolitan setting, but not in a regional context, despite freight routes between interstate capitals traversing regions.

It follows that the IDP appears to dismiss the value of non-operational regional railway lines in their entirety, as though they were all the same, equating minor dead end grain lines to an erstwhile major interstate rail corridor. As a result, a major omission was not giving informed consideration to the extant Main North Line from Armidale to QLD and on to Toowoomba, as a low cost, disaster resilient, alternative to the North Coast Line and stalled Inland Rail, both flood prone. Indeed, the Main North Line is not referred to *once* in the IDP while in the April report the line north of Armidale was *erased* from the TfNSW railway map.

Currently, services on the Main North Line do pass through a flood prone area between Maitland and Broadmeadow near Newcastle. Yet, the Main North Line is still connected via operational lines at very low risk of flood, to Werris Creek-Dubbo-Narromine-Parkes (the last identified by the IDP as a national Nth/Sth & East/West trade junction) and on to Sydney, Melbourne and even Perth. Conversely, the prospective Inland Rail north of Narromine to Narrabri is at high risk of flood, as is the North Coast Line between Casino and Kyogle.

Given that, for all the strategic reasons outlined in the IDP, a shift from road to rail is imperative, restoration of the Main North Line is a low hanging fruit for NSW to begin realising this vision. In light of its enthusiasm for a road to rail shift, it makes no sense that IDP characterises the North Coast Line as 'low risk' because freight can be diverted to roads when flooding occurs, but the genuinely low risk Main North Line remains non-operational.

Clearly problems relating to climate change, imported fuel insecurity and the need to develop strategic national freight routes cannot be left to states such as NSW alone to address. This Panel shining a light on these diabolical challenges and taking a bold, innovative approach to exploring solutions through its recommended reforms may persuade the federal government to assume its fair share of responsibility.