

# Media Release

16 November 2020

## **Governments must get behind freight rail to avoid B-double gridlock**

The Australasian Railway Association has renewed calls for a level playing field for rail freight after a new report confirmed rail's critical role in meeting the nation's growing freight task.

*Value of Rail 2020* has confirmed the use of rail freight is expected to grow 41 per cent from 2016-2030 to meet growing demand.

But ARA Chief Executive Officer Caroline Wilkie said current policies that favoured road over rail were constraining the rail industry's ability to grow and could threaten the industry's ability to meet this demand.

"The rail freight industry is constantly facing higher costs and greater barriers to growth than their counterparts on the road," Ms Wilkie said.

"Rail freight is set to grow 41 per cent by 2030, which is the equivalent to the payload of 894,542 B-Double trucks per year.

"If unfair policies that favour the road sector persist, this could severely limit rail's ability to meet this growing demand and lead to the creation of B-Double superhighways across the country."

Ms Wilkie said the current Heavy Vehicle Road Reform process underway was essential to ensure road and rail could compete fairly.

She also renewed industry calls for the NSW Government to introduce a container rail incentive scheme for exporters and importers to help boost rail freight modal share.

"We have long been calling for a level playing field so Australia can make the best use of both road and rail freight," she said.

"The rapid growth in demand we expect to see over the next decade makes this an urgent issue.

“Failure to act now will see more trucks on our roads, increasing safety risks and raising the environmental impact of the freight sector.”

The report found one short haul port train carries the equivalent payload of 41 B-Double trucks.

Rail freight generates 16 times less carbon pollution than road freight per tonne kilometre travelled, while road accident costs are 20 times higher than rail.

Ms Wilkie said a one per cent shift in freight from road to rail would save \$28.6 million a year in national accident costs.

But more equitable road pricing models were needed to support the shift.

Under the current system, rail access charges are based on a cost recovery method that considers the costs of building and maintaining rail infrastructure, while prices for heavy vehicle users does not fully recover road construction and maintenance costs.

This means access charges form a higher proportion of operating costs for rail freight operators.

The ARA [recently joined forces](#) with other freight and logistics associations to call for a container rail incentive scheme to address the imbalance between road and rail freight in NSW.

Rail modal share in the state has stagnated as more permits have been issued to high productivity vehicles to access the Sydney metropolitan road network, including West Connex.

Ms Wilkie said a model like WA’s Port of Fremantle container incentive scheme, where rail modal share was above 20 per cent, was needed to bring back some balance.

[Value of Rail 2020](#) provides an overview of the rail industry’s contribution to the economy and community.

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