

Policy Imbalances in the Transport Industry

A significant projected increase in the land freight task over the coming decade makes it vital that land transport systems can operate as efficiently as possible. To achieve improved levels of efficiency, it is critical that governments address policy imbalances in the Australian transport industry.

Domestic rail freight markets should operate as far as possible on a level footing with other modal choices by creating an environment where there is an equitable and comparable regulatory environment and/or competitive neutrality between competing modes of transport.

The Australasian Railway Association has identified a number of policy imbalances requiring further government attention. These policy imbalances, which include an inequitable pricing regime, disproportionate accreditation frameworks and variable safety requirements, exist within an environment where there are significantly different requirements to entry and operation.

Issue	Road Freight Transport Services	Rail Freight Transport Services
Accreditation	No minimum accreditation regime other than drivers needing to obtain a licence for the vehicle combination to be operated. Access to use the road network is available to any operator with a truck and a driver	A multi-faceted accreditation process (including ongoing re-certification) applies to use of the rail networks covering company accreditation as a rail operator, the rolling stock to be used for services and capability/knowledge of staff that are proposed to operate the equipment
Training	Basic licence and medical requirements	Significant training requirements, including ongoing assessments and observations, accreditation and ongoing medical and safety checks
Capital Costs	Relatively low capital costs	Equipment has a high capital cost and long life
Market Size	There are extensive road transport equipment fleet providers and robust used equipment markets	Freight rollingstock suppliers are limited with the markets dominated by a few major suppliers
Operations	No requirements for two-driver operations	Varying requirements for two driver operations. Widespread use of rail vigilance systems.
Network	Other than toll roads, road networks are a public good and predominantly public owned by state and local governments with no legal access constraints or expectation of a commercial return	Rail networks are owned by commercial or semi-commercial entities seeking a return. There is a commercial/legal framework that is applied to users seeking access
Fatigue	Truck drivers can drive 14 hours per 24-hour period. As well, truck drivers can utilise Advanced Fatigue Management that enables a solo truck driver to increase their hours to 15.5 hours per 24-hour period (including 1.5-hour regulatory breaks).	A review of the of fatigue risk management arrangements (including driver hours) under the Rail Safety National Law is currently being undertaken. But driving hours for train drivers is less despite rail largely operating in a controlled / isolated system.