# **JOHN AUSTEN – Australian freight policy: after the chainsaw?**

*A recent report on freight and supply chains leads Governments astray. This is the last of three articles seeking to put them back on course.*

My previous freight articles considered:

* the proposal to expand bureaucracies in order for freight to be taken more seriously <https://johnmenadue.com/john-austen-australian-freight-policy-where-is-my-chainsaw-part-1-of-2/>;
* what freight policy should be about – the public interest;
* how policy became a shamble.[]

Government will not – and should not - listen to bureaucracy-inspired pleas for freight to be taken seriously until a chainsaw slashes through undergrowth developed in their fiefdoms as part of a transport pork barrel fest.

The clean-up is particularly urgent given desires that the Commonwealth play in the ‘urban space’. Already there are signs that attitudes in freight policy – back-to-front ideas concocted to support infrastructure spending - infect other areas. For example, the Western Sydney ‘deal’ proposes three or four independent rail systems apparently due to an idiotic view single deck trains can’t use the existing tracks - while ignoring by far the best option to provide rail to Badgerys Creek airport. <https://johnmenadue.com/john-austen-more-on-the-sydney-transport-mess-the-western-sydney-dud-deal/>

**Where we are today**

My previous articles said the essential attributes of freight are:

* it should pay its way – and not be subsidised by public monies;
* the community doesn’t like it.

Most recent reports ignore the former - except in sparse arcane notes in background papers / ‘modelling’ saying under road ‘reform’ charges need to rise by near 30%. They don’t say this unheralded agenda would breach competition law, keep customers in the dark and be unsupervised by regulators e.g.: <http://infrastructureaustralia.gov.au/policy-publications/publications/files/Making_Reform_Happen-PwC_technical_report.pdf> at p.10

An aim seems to be to protect infrastructure spending levels and patterns – i.e. the pork barrel. There are regular attempts to co-opt some parts of industry into this perverse view. <http://infrastructureaustralia.gov.au/policy-publications/publications/making-reform-happen.aspx>

For the latter, community concerns, the best the infrastructure club has to offer is: deny the problem by pretences e.g. freight includes shopping trips; ask Governments to educate the public about how freight makes money (primarily for industry); shout out that freight will be going everywhere and will double in a fairly short while. As they say: good luck with that – especially when motorists see their charges rise by 30% too!

In contrast to such stupidity there is a simple way for the attributes of freight to match the public interest; designated linked places for major freight activities.

This conclusion is well known but since the mid 1990s has been perverted into freight places are needed for Government funding. The further step is: funding should go everywhere like freight does. The chainsaw needs to slash this and reveal the proper aim of policy: places for freight as a matter of sensitivity to the community - where Government has no funding influence.

**After the chainsaw**

What needs to be done then is no secret. The Hawke/Keating years are a blueprint.

State Governments should specify very limited networks joining major freight generators, starting with the ports.

Apart from having natural advantages of economies of scope/scale while minimising community impacts these are locations where nearly all supply chains merge.

They would ensure neutrality in infrastructure charges, allow better regulation and support Luke Fraser’s suggestion of privately initiated investment – which is most feasible where there is the most freight! <https://johnmenadue.com/luke-fraser-freight-fresh-disappointment-for-our-prime-minister/>

The Commonwealth should get back to its job which relates to international and interstate trade and commerce etc. It does not have a ‘freight’ role, nor any related role to collate/coordinate States. For transport its roles are: require the joining of export and interstate aspects of networks in States via interoperable infrastructure; elimination of State practices that restrict trade.

Instead of endless reviews and data gathering exercises it should fulfil its duty to remove impediments to large scale trade – like restrictions on Newcastle developing a container terminal, motorway designs that prevent modern truck use, rail gauge and communications differences.

It should stop looking to meddle in ‘last mile access’ – thousands of ad-hoc cases involving trucks on backroads – a role which lacks Constitutional basis, breaches subsidiarity principles and may create an environment conducive to corruption. In any case, Commonwealth involvement there could well worsen outcomes – by creating incentives for others to wait for ‘new’ funding before fixing problems and to reduce sensitivity to real community concerns in order to get Federal cash.

If the Commonwealth wants to play in access it should take over relevant assets - starting with the Hume Highway which it funded to the tune of tens of billions of dollars. It should also ensure access to the ‘first mile’ – to connect all important freight places like major rail terminals to a national network. <https://johnmenadue.com/john-austen-infrastructure-misuse-and-mistakes-the-hume-highway/>

The Commonwealth should lead; it should be much more effective in a vastly smaller field of true national significance related to international and interstate trade. There is plenty to do.

And in doing its proper role it should not forget – again – public policy principles like avoidance of conflicts of interest, transparency, consultation, honesty and that it is supposed to serve the public not just parts of an industry. If only to avoid recurrence of the present shambles.

*John Austen is a usually happy retired former official who conducted freight benchmarking studies, was the initial director of freight in NSW transport, advised on the establishment of rail access regimes and national rail organisations and led Infrastructure Australia’s development of ports and land freight strategies. More details will be at thejadebeagle.com*