FORG Secretariat
7 Westlink Ct
Altona, Victoria

RAIL FREIGHT STRIKE TO HIT AUSTRALIAN CONSUMERS AT CHRISTMAS

25 November, 2026

The Freight on Rail Group (FORG) has warned that the industrial action the RTBU and ASU are proposing against the Australian Rail Track Corporation (ARTC) would severely disrupt supplies to households and businesses in the lead-up to Christmas, pushing thousands of extra trucks onto Australian roads and burning scarce diesel.

Interstate rail carries everything from supermarket goods to grain, building supplies and other essentials – it even clears the garbage from Sydney streets. Disrupting it will hit consumers through delays, shortages and higher freight costs.

"This proposed action comes at a time when consumers are already feeling cost-of-living pain at the worst time of year. It will only add to this as last minute, more costly road freight alternatives have to be found," Mr Smith said.

Nation-wide impact on consumers

While based on a NSW issue, the impact of the strike would be national as the State is at the intersection of freight services between Melbourne and Brisbane, and through to Perth. Some of the specific effects of stopping freight trains include:

- No garbage removal in Sydney
- No grain movements will impact everything from bread to beer
- No groceries or Christmas gifts – emptying supermarket shelves nationally
- No coal – these rail deliveries affect 27% of electricity supply in NSW alone.

There is no realistic prospect of shifting all affected rail freight to road at short notice. The road freight industry does not have the spare capacity to absorb freight volumes of this scale. This means significant volumes of containerised freight, grain, coal and other goods may simply not move while priority volumes will move at a higher cost.

Any freight that can be transferred to road will also add to congestion and road-safety risks and increase diesel use at a time when available road freight capacity is already stretched.

Opportunistic timing for an industry already under strain

FORG described the timing as opportunistic.

The pre-Christmas peak is when supply chains are under the most pressure and have the least room to absorb disruption.

The action also comes as the rail freight industry is already under pressure on several fronts, including:

- Rail volumes on the Melbourne – Sydney – Brisbane routes are already dwindling, and this action could be the ‘final straw’
- Rising operating and access costs
- Policy settings that favour road over rail
- The impact of carbon policy on rail operators.

FORG says further disruption will only add to that burden and risks pushing freight to road permanently.

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A call to keep negotiating

"FORG urges the RTBU and ASU to remain at the negotiating table with ARTC and seek a resolution that will not ultimately harm their members and the broader public in the lead-in to Christmas," Mr Smith concluded.

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Australian rail freight companies contribute more than $11 billion each year to the nation's economy, employ 20,000 people (many based in regional Australia), operate in every mainland Australian state and territory, utilise 1,600 locomotives and 34,000 wagons, and manage and operate 23,000 kilometres of rail track.