Mr Gary Banks Senior Commissioner Productivity Commission

RE ROAD AND RAIL FREIGHT INQUIRY

Dear Mr Banks,

I have read with great interest your interim report, and would venture the following comments:

- Could you please make it clear in your final report that the <u>ROAD</u> section deals only with major highways and <u>not</u> urban and suburban or rural town roads? (Many people do not understand this.)
- You may wish to refer to the approx. \$500 million p.a. spent by <u>local</u> governments on roads used by exogenous transport.
- It appears that you have not dealt comprehensively with External Costs, i.e.,
 - o Health costs from pollution, particulates etc.
 - Health costs from collisions
 - O Damage from trucks etc moving from major highways to suburban and rural town roads and streets.
- You may also wish to refer to the <u>Opportunity Costs</u> of freeways, major highways in loss of rural land, bisection of communities, loss of some suburban lands etc.
- You may wish to examine the Tax Situation of failure to index fuel excise, depreciation, tax concessions etc.

Please excuse the fact that this is hand written. My printer has suffered mechanical failure.

Best wishes for a successful final report.

Yours faithfully

Liam J Buckley Vic

29/11/06