



## Smart Technology to Increase Productivity in the Australian Transport & Logistics Industry

The Australian Logistics Council (ALC) has today released a **Discussion Paper on *A Smarter Supply Chain - Using Information & Communications Technology (ICT) to Increase Productivity in the Australian Transport Logistics Industry***.

ALC is the peak body for Australia's Transport and Logistics (T&L) Freight Industry representing Australia's road, rail, sea and air logistics providers. The Council aims to lead improvements in the efficient delivery of Australian domestic and international logistics.

Smarter Supply Chains are a similar concept to the Commonwealth Government's *Smart Grid, Smart City* initiative, which will deploy Australia's first commercial-scale smart energy grid, with the potential to increase the efficient use of infrastructure, cut costs to consumers and reduce CO<sub>2</sub> emissions.

"Transport & Logistics companies hold a unique position in the supply chain because they are typically high users of existing and new information", said ALC CEO, Michael Kilgariff.

"The most efficient supply chains worldwide leverage real-time information and ensure real collaboration between partners, whether this is within a closed-loop, across the industry, or across the entire economy.

"Smart Supply Chains must be sustainable and it is clear that the enhancements that have most economic benefit come with efficiencies that will accelerate the reduction of CO<sub>2</sub>, but there is more that can be done to enhance the reduction of CO<sub>2</sub> with innovative ICT applications.

"The ideal Logistics System smoothly delivers goods where they are needed, when they are needed, with the least amount of cost, energy, carbon, pollution, noise, congestion and harm. This involves minimising *wait time* and *handling* during the transport of goods to their final destination.

"For most freight, speed between nodes (eg freight hubs) is not as important as consistent flow. This is different to passenger transport where speed between nodes (eg stations) is a key requirement.

"This difference in requirements highlights the need to have dedicated freight corridors (linking key nodes) that can run large volumes of freight at steady speed, timed to load/unload at each node. This has the added advantage of keeping down total cost, energy, carbon, pollution and noise, as well as reducing congestion and improving safety, including on passenger networks, which may currently be operating on the same infrastructure.

"The Council of Australian Governments (CoAG) has recognised this and the 7 December 2009, CoAG meeting agreed to national objectives and criteria for the future strategic planning of Australia's capital cities.

"The House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government will also be conducting an Inquiry and holding a conference in March 2010 on smart infrastructure, which will include a focus on transport", Mr Kilgariff said.

Mr Kilgariff said for Smarter Supply Chains to be effective, all T&L modes (road, rail, sea and air) must be able to work together to maximise efficiencies.

"The impact competition law has on the sharing of information across the T&L supply chain - inhibits such an approach. Lack of a framework that clearly stipulates government (or ACCC) requirements around cooperation and information sharing, creates regulatory uncertainty, and is a constraint for improved supply chain performance", Mr Kilgariff said.

The ALC Discussion Paper *A Smarter Supply Chain - Using ICT to Increase Productivity in the Australian Transport Logistics Industry*, is available from the ALC website at [www.austlogistics.com.au](http://www.austlogistics.com.au).

Ends.

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