



AUSTRALIAN LOGISTICS COUNCIL

ALC Welcomes National Approach to logistics Infrastructure

The Australian Logistics Council (ALC) welcomes the Budget announcements relating to Infrastructure Australia, which will lead to a national approach to the funding and construction of logistics infrastructure.

“ALC is particularly pleased that Infrastructure Australia’s (IA) funding will be increased by nearly 40 per cent to \$36 million over four years”, said ALC CEO, Michael Kilgariff.

“ALC agrees this should allow IA to expand its work to include providing independent policy advice on national infrastructure reform, while working with governments and the private sector to develop a deeper ‘pipeline’ of priority infrastructure projects in the Australian market.

“As ALC indicated when submitting its submission on the National Land Freight Strategy Discussion Paper, if properly funded, Infrastructure Australia could play the same role in infrastructure development as the Productivity Commission in relation to advice on economic policy. Poorly funded, it could be a roadblock.

“ALC is pleased the Government has decided that Infrastructure Australia will be the Productivity Commission for infrastructure and so lead the development of the infrastructure necessary for the Australia of the 21st century.

“ALC also notes that the Government will establish special tax provisions for infrastructure projects designated to be of national significance.

“ALC believes all infrastructure projects must be assessed against a long term plan driven by volumes, to ensure an effective framework for decision making by financiers and private/public sector players.

“While the devil will be in the detail, this announcement will go some way towards changing the environment in which most infrastructure is budget driven. ALC will carefully scrutinise the precise nature of these tax provisions.

Mr Kilgariff also noted that funds have been set aside to assist the implementation of the National Port and Freight Strategies in 2011-12 to develop a seamless national freight network to increase Australia’s competitiveness, lower costs and minimise congestion on road and rail networks.

“This is integral to the approach called for by ALC in its submission to the National Land Freight Strategy Discussion Paper”, said Mr Kilgariff.

“ALC will be closely monitoring developments to ensure that the various Strategies are finally developed and, most importantly, implemented.

“ALC is finally pleased that funding has been provided for the final development of a single set of national laws to cover maritime safety, rail safety and heavy vehicles.

“ALC has always believed that to maximise the capture of the benefits from the rationalisation of regulations, seamless regulatory arrangements across all modes should be developed.

“The onus is now on the federal Government to ensure there is no backsliding and that all jurisdictions commit to a national law in force across Australia”, said Mr Kilgariff.

Ends. 10 May 2011.

For further information contact Michael Kilgariff of ALC on 0418 627 995.

The Australian Logistics Council is the peak national body representing the major and national companies participating in the Australian freight transport and logistics supply chain.