



ALC Welcomes Opposition's Approach to Infrastructure Assessment

The Australian Logistics Council (ALC) today welcomed an Opposition proposal to enhance the role of Infrastructure Australia in assessing infrastructure projects of national significance.

In a March 2010 submission to government on the National Freight Network Plan, ALC argued infrastructure funding should not be a process of 'picking winners' from a list of projects, chosen without the advantage of rigorous, cost benefit analysis, nor should freight volumes be directed towards specific transport modes.

"If productivity is the goal then rigorous assessments should be made on a whole of supply chain basis and not piecemeal", said ALC Chief Executive Michael Kilgariff.

"The submission also recommended plans be drawn up so the freight task anticipated at a given time in the future can be met by the freight network.

"The 2011 National Freight Strategy Discussion Paper published in February this year notes that some projections suggest a trebling of freight by 2050.

"Given the pressure on the system anticipated in the Freight Strategy, the Opposition's proposals, which are similar to those consistently argued for by ALC, are worthy of consideration", said Mr Kilgariff.

However, Mr Kilgariff warned Infrastructure Australia must be given appropriate resources to discharge any enhanced role in infrastructure assessment.

"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 will only act as a roadblock to efficient decision making.

"States will put off their own expenditure in the hope of getting federal funds.

"If that occurs, while Infrastructure Australia will add value to the process of assessing what infrastructure is necessary to support the Australian freight effort, it would actually be a hand-brake on getting it built and operating.

"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", said Mr Kilgariff.

Ends. 14 April 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.