



**THE HON ANTHONY ALBANESE MP  
SHADOW MINISTER FOR INFRASTRUCTURE, TRANSPORT, CITIES AND  
REGIONAL DEVELOPMENT  
SHADOW MINISTER FOR TOURISM  
MEMBER FOR GRAYNDLER**

**PLAYING THE LONG GAME FOR A MORE PROSPEROUS AUSTRALIA**

**SPEECH TO THE AUSTRALIAN LOGISTICS COUNCIL  
WEDNESDAY, 6 MARCH, 2019  
MELBOURNE**

**INTRODUCTION**

History is a great teacher.

If you look at the most successful leaders in Australian and world history, there's a common factor in their success – vision.

Vision is about imagining a better future and taking the steps now that are required to achieve it.

---

It's about taking decisions which establish building blocks for future prosperity, even if they don't provide an immediate political benefit.

For example, our nation is experiencing its 28th consecutive year of economic growth.

That was made possible by the vision shown by Bob Hawke and Paul Keating with their economic reforms of the 1980s and 1990s.

Not all of the decisions that set up this extraordinary platform for prosperity were popular at the time they were implemented.

But we all benefit today because Hawke and Keating played the long game.

In 2019, it's time we played the long game when it comes to infrastructure.

We need to stop making short-term decisions and ensure that decisions lay the foundations for future growth.

Today, just weeks from the commencement of the May election campaign, I want to give you an update on my thoughts about infrastructure and transport policy.

Some of these ideas will be familiar.

In particular, you all know that I have a strong view that vision in infrastructure policy requires that, wherever we can, we take the politics out of the process.

## **PROCESS**

In 2008, the former Labor Government established Infrastructure Australia to

---

provide independent, evidence-based advice to the Government about infrastructure policy and projects.

The organisation was designed to produce a pipeline of properly assessed projects capable of being embraced by both sides of politics on the basis of demonstrated merit.

We wanted to break the nexus between the short-term political cycle and the long-term investment cycle.

But upon coming to government, the Coalition immediately cancelled a series of Infrastructure Australia backed projects aimed at reducing traffic congestion and improving the movement of freight within and between our big cities.

## **PLANNING**

Infrastructure Australia also worked with the former Labor Government to improve transport planning.

Infrastructure Australia produced the National Ports Strategy and the National Land Freight Strategy.

This meant that when the current Government took office, it had at its disposal a blueprint for a more efficient transport system.

It would have had great benefits for the Australian logistics sector.

But instead of grabbing the ball and running, the Coalition did nothing until 2016, when it began preparing its National Freight and Supply Chain Strategy.

---

More wasted time.

In good news, a future Labor Government would not try to reinvent the wheel yet again.

## **LABOR'S VISION**

Our vision begins with greater investment.

While I agree that governments should seek to attract more private money into public infrastructure projects, I don't kid myself.

For real progress, Commonwealth grant money is required – real investment for real projects that will make a real difference.

Over the past five years the Coalition Government has overseen a reduction in infrastructure investment.

During the period of the current Government, average annual investment (public and private), which had doubled under Labor, has fallen 17 per cent.

In the case of investment in Australia's transport infrastructure, the decline has been even greater at 19 per cent.

And the projections are all heading in the wrong direction.

The Government's own Budget documents show that in the short term, annual Federal infrastructure grants to the states will fall each and every year from \$7

---

billion in 2017-18 to \$4.5 billion in 2021-22.

Over the medium term, the Parliamentary Budget Office has calculated that Commonwealth infrastructure investment expressed as a percentage of GDP will halve from 0.4 per cent to 0.2 per cent.

By comparison, I can assure you that between now and election day, Labor will outline an ambitious infrastructure investment agenda.

It will be an agenda that builds on the record of the former Labor Government, which doubled road funding, rebuilt a third of the interstate rail freight network and committed to more urban public transport infrastructure than all of our predecessors combined.

When it comes to freight, rail is often more efficient than road transport.

One freight train can take 100 trucks off the road.

Rail is also cheaper, more energy efficient and produces lower levels of carbon.

We must work to capitalise on these advantages by ensuring our rail infrastructure is up to the task.

## **RAIL**

In this area, the former Labor Government got the ball rolling.

We invested heavily in separating passenger and freight lines to Sydney's north and south.

---

We kicked off work on the much needed Moorebank Intermodal Terminal.

We also allocated funding to duplicate the Port Botany Line – another investment cancelled by the incoming Coalition Government, but later revived when they realised their mistake.

There is more work to be done.

For example, it remains the case that rail access to the Port of Brisbane is constrained.

We need to confront that challenge, particularly if we are to deliver an Inland Rail project between Brisbane and Melbourne that actually goes to the Port of Brisbane, rather than stopping 38km short at Acacia Ridge, which is the current plan.

## **INLAND RAIL**

On the topic of Inland Rail, let me restate Labor's support for the project.

We invested \$900 million in this project last time we were in office.

However, I remain sceptical about the current Government's financing model.

The use of an equity investment in the Australian Rail Track Corporation to fund Inland Rail is based on the Government's assertion that the project will somehow stack up on a purely commercial basis.

---

But let's get real. That won't happen.

This fact was recognised by former Deputy Prime Minister John Anderson's 2015 Inland Rail Implementation Study, which found that the project's revenues would not cover its capital cost in its first 50 years.

I'm also concerned about growing public disquiet over poor consultation with affected land owners along the Inland Rail route.

The NSW Farmers Federation has been leading the case for an independent and transparent inquiry into the planning underpinning the roll-out of this project.

They aren't troublemakers. They are serious players who should be taken seriously.

## **SHIPPING**

Just as we need to increase the share of the national freight task carried by rail, we must also revive Australian shipping.

The former Labor Government sought to arrest the long-term decline in the Australian shipping fleet after close consultation with the industry, employers and unions.

In 2012, we implemented a range of reforms including a zero tax rate, more generous accelerated depreciation arrangements, rollover relief for selected capital assets and new tax incentives to employ local seafarers.

Regrettably, the Coalition sought to undermine these reforms in Opposition and

---

abolish them in Government.

In 2015, the Senate rejected legislation that would have destroyed Australian shipping by putting it at a competitive disadvantage when bidding for work against overseas-flagged vessels with overseas crews.

I want to see a vibrant Australian maritime sector that serves our economic, environmental and national security interests.

Labor will create an Australian Strategic Fleet in areas of importance to the Australian economy, such as the importation and distribution of liquid fuel, namely crude oil, aviation fuel and diesel.

The vessels will be Australian-flagged and Australian-crewed, and while they will be privately owned and operated on a commercial basis, they will be available for requisition by the Defence Forces for operational requirements in times of national need.

The fleet will also provide a platform for the training of future seafarers.

With the final two Australian flagged oil tankers carrying fuel to this country recently deregistered, Australia does not have a direct capacity to ensure its fuel security.

A Labor Government would also create a National Fuel Reserve to ensure this nation always has at least 90 days' fuel supply at hand.

I see this as a sensible measure.

It has certainly been welcomed by people with experience in the nation's military.

---

Indeed, the establishment of a Strategic Fleet and creation of a National Fuel Reserve would enhance Australia's economic sovereignty and security.

## **ROADS**

As much as Labor wants to increase the role of rail and shipping, we understand that road transport will always play a huge role in meeting our nation's freight task.

We need better roads that are safer, not just for truck drivers, but also for those with whom they share the roads.

That's why we would complete the duplication of the Pacific Highway and accelerate the upgrades of the Bruce Highway and other key freight routes.

It's also important that we increase our effort to make better use of existing road assets through the adoption of smart technology.

Building new roads is not always the best solution to traffic congestion.

We need to increase our focus on fitting new technology to improve traffic flows along major motorways, using higher productivity vehicles, creating dedicated freight routes and separating passenger trains from freight trains.

The former Labor Government invested in the Managed Motorways Program, which sought to incorporate intelligent transport solutions into urban motorway networks.

These included entry ramp signalling, variable speed limit signs, CCTVs and digital message signs that provide motorists with live updates on traffic conditions and

---

delays.

The next Labor Government would pick up where we left off.

## **PUBLIC BENEFIT**

Delivering new infrastructure projects in the public interest is one thing.

But I'm determined that in doing so, we take the opportunity to secure lasting benefits outside of the delivery of the individual project.

I have three particular approaches in mind.

First, we need to ensure that we use the construction of major projects to provide jobs and training for Australian workers.

Accordingly, under a Labor Government at least one in ten jobs on Federally-funded construction sites would need to be filled by Australian apprentices.

When it comes to the rail industry we would go even further.

We would implement a National Rail Manufacturing Plan to maximise the benefits from the \$100 billion-plus investment expected in rail over the next decade.

For the record, Australia will spend more on rail over that period than it will on submarines.

By establishing a National Rail Plan, a Labor Government would ensure that more trains are built here in Australia by local manufacturing workers and that every

---

dollar of Federal investment in rail projects goes towards creating local jobs, training Australian workers, and protecting our rail industry for the future.

This commitment was based on landmark research produced last year by the Australasian Railway Association.

As well as training Australia's future workforce, a future Labor Government would use its investment in infrastructure to make sure Australia's mid-tier construction firms not only survive, but grow and thrive.

In practice, the states and territories would be required to either ensure a mid-tier contractor is included in the main contract or alternatively, split large projects up into smaller packages of work so mid-tier contractors can tender and compete.

## **BIO-SECURITY**

Before I wind up let me say a few words about the current Government's poor handling of the proposed bio-security levy arising out of the review of the Intergovernmental Agreement on Bio-security.

I know that this matter has been a topic of discussion at this important forum.

While the review proposed a levy of \$10 on all shipping containers to take effect from July 1, the Government is attempting to impose a general import levy based upon volume on all shipping movements.

This appears to be a revenue grab.

It has created understandable concern about whether the money collected will

---

even be used for bio-security.

Bio-security is important. It has to be paid for.

But the Government has botched this process by failing to consult or produce a Regulatory Impact Statement.

It has treated industry without due respect and is seemingly more focused on the revenue than the right outcome.

You have been patient on this issue, and you deserve better.

## **CONCLUSION**

The plans and reform proposals I have outlined today are about maximising national long-term prosperity.

When we spend billions of dollars on public infrastructure projects, we should extract every drop of public benefit we can to serve the national interest.

Too often, governments lose sight of the national interest.

Conservative governments often make the mistake of convincing themselves that if only governments get out of the way, the market can solve all of our problems.

But the market by itself does not deliver the type of strategic vision that is required to deliver a more prosperous future for our children and grandchildren.

It does not play a long-term game.

---

That's the job of governments.

I stand ready to deliver.

**WEDNESDAY, 6 MARCH, 2019**

**MEDIA CONTACT: MATTHEW FRANKLIN 0411 659 868**

---