



The Hon Michael McCormack MP

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Minister for Infrastructure, Transport and Regional Development

Leader of The Nationals

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I very much appreciate your attendance. I also appreciate it's pretty early in the morning; you have a lot of deliberations and discussions to take place yet. I know you have had some earnest discussion yesterday. These sorts of conferences are very important.

Now if I ran through the list of dignitaries here that would be my full speech, but I will name a few. Eva Lawler from the Northern Territory is probably top of the list, a Parliamentary colleague.

I want to make sure that in my capacity, in my role, that I work across the board. Logistics is too important to let the politics get in the way of good delivery. I know that Eva is prepared to work on those lines too, as is Jacinta Allan here in Victoria. Again we're not on the same side of politics but I want to work in good faith; I want to be able to work on a bipartisan level to get things done. I think that's one of the most important things because people out there, whether you're running a trucking company, whether you're in shipping, whether for you aviation is front and centre of what you do – you just want to see your politicians, your Governments, getting stuff done. That's the most important thing.

So to Eva, I appreciate that Melbourne is a little bit cooler than where you come from, but very much a warm or cool or whatever the case may be welcome to you and thanks for attending .

To Kirk Coningham OAM, CEO of the Australian Logistics Council, I appreciate your attendance; to the ALC board members one and all, thank you for being here. Mike Gallacher, CEO of Ports Australia is somewhere there. We've had a few discussions lately; I'm always happy to be engaged in the discussion about what's important to industry sectors. Rod Nairn AM, CEO of Shipping Australia; Pip Spence and Luke Yeaman from my Department; we have from the National Heavy Vehicle Regulator Duncan Gay and Sol Petrocetto. I very much appreciate you being here.

From the Australian Trucking Association, I can see down here Ben Maguire and Geoff Crouch. I'm very happy at the fact we've got their safety truck back on the road – road safety is of critical, paramount importance and the fact that that big green and yellow truck...goodness knows what it might be coloured in next week...it's going to be a very visible presence on our roads, but most importantly in our education institutions to tell young people, those who may not have their licence yet but those who might have just got it how important it is to understand that trucks need a bit of room on the road and the importance of giving them that sort of room.

A special friend of mine, Ron Finemore who I know celebrated with you all his birthday yesterday – congratulations Ron; you have been an absolute powerhouse to trucking, to the transport and logistics industry: I say, on behalf of the Government, happy birthday for yesterday! Thank you for

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everything that you've done over many many decades – a boy from Mangoplah just near Wagga Wagga. You've done so much for Australia. Thank you very, very much.

So exactly a year ago today I addressed the 2018 Forum at the Royal Randwick Racecourse. Here we are today gathered at the MCG. Probably this time next year, notwithstanding we have a little vote coming up in May, hopefully I might even be at the Gabba - if it's still called the Gabba – addressing you again.

Over the past twelve months I have also addressed ALC events which were jointly hosted by the Australian Trucking Association and the Australasian Railway Association.

I see that ARA's Danny Broad chaired a session here yesterday and I also note that your first session at this Forum was entitled 'Putting freight on the ballot'. Indeed it should be on the ballot – whether it's the federal, whether it's the NSW – appreciating they have an election in a couple of weeks from now.

Let me tell you that freight is always – always on the ballot when it comes to my Party, the National Party, and indeed our Government, our Federal Government – we've put in front and centre of everything we have endeavoured to do and dare I say we have achieved over the past five or six years. Let me underline to you that it will be, into the future as well.

I know there are a number of issues that this Forum's organisers have invited me to address, and so in particular I'd like to tell you where the National Freight and Supply Chain Strategy is up to, as well as canvassing our Federal Government's record level of investment in nationally significant freight infrastructure.

When it comes to the supply chain strategy and delays to the movement of freight, we all know delays put pressure on supply chains and increase the cost of transporting goods and services to consumers. Now in recent decades, supply chains have become far more sophisticated due in part to technology advances, that's fantastic, reduction in trade barriers, that's also very very admirable, and changing consumer behaviours.

These are reasons enough for developing a National Freight Strategy.

Another reason is that Australia's freight task is forecast to grow by about 26%, that's growing, increasing, up to 2026, and by around 60% over the next 20 years. In many cases you've probably heard people say – far more experts than I – that it's going to double over the next 20 or so years and that is probably the case.

Shortly after I addressed the ALC Forum last year, I chaired a meeting of the Council of Australian Governments' Transport and Infrastructure Council – where Ministers agreed on the 20 year framework: what we're going to do over the next 20 years, a strategy that we're going to put in place to help that supply chain, to help those logistics – that's so important. When you get people in the room who are committed to doing just that, such as Eva, such as those on all sides of politics in all Parliaments, it makes it easier not for us but for you and for the people that you serve, the people who are critical to this – the consumers. They are the ones that you want to continue using your businesses, your sectors, to make life easier for them and for all of us.

It's important to acknowledge this is a multi-Party body. You should be encouraged by COAG's approach to this issue. Given the scope and complexity of the policy development task, it has also been – I have to say – a relatively smooth process. That's good. There's a lot of goodwill for developing a strategy among stakeholders.

More than 150 industry stakeholders attended focus groups around Australia in November and December to test key elements of a draft Strategy. The meetings were facilitated by my department's officials, acknowledging Luke Yeaman and Pip Spence are in the room this morning, and I want to acknowledge their work in leading the current phase. No doubt, many of you contributed. So thank you – gratitude for that.

We are nearing the end of this process now, with all Governments – Commonwealth, State, Territory and local – local is very important; they're at the coalface as it were of this Strategy – committed to agreeing and then implementing a National Strategy.

But what does success look like?

The clue is in the term 'action plan'. I believe there is a strong level of commitment across all levels of Government and across all parties - to take concrete steps to implement the national Strategy.

This Plan is going to integrate different types of transport modes – whether it's road, rail, air, maritime – for the very first time.

We are taking a long-term perspective, over a 20-year period – and you want us to do that. You expect us to do that. But it's not always easy particularly when you've got short election cycles, when you're in a phase at the moment where sometimes we replace Prime Ministers at short notice. And State Governments are sometimes in that flux.

But what people want out there is long term vision. I'm pleased to state that Scott Morrison has a long-term vision for this nation. I'm pleased to say that across the board, across the table with the Infrastructure and Transport Ministers at COAG level, they also have a long-term vision.

So that is good – not just good for us but certainly good for you and consumers.

Regular, timely reviews, will give industry an opportunity to be closely involved in monitoring progress over time and to hold Governments to account, now and into the future – through to 2039. I know it sounds a long way away but let me tell you it will come up on us pretty quickly.

At that time, 20 years on, the Inland Rail and Western Sydney Airport – or should I say, the Nancy-Bird Walton Western Sydney International Airport - will be well into their second decade of operation. And given that we're shaping the future for all Australians, it's important that we get it right by setting out clear priorities in this strategy action plan.

Amongst the priorities must be:

- the protection of freight corridors and precincts from urban encroachment and/or incompatible developments; I mean that's critical, we all know that and Governments of all political persuasion are always pressured by people who may just move into an area, who may through different planning levels at different times, then build a house and wonder why there's planes going overhead, or have a farm that they've just broken up into several blocks and then wondered why a freight train wants to have the line there. So we need to protect those freight corridors at all costs.
- better and more consistent regulation in areas such as infrastructure pricing, land use planning – that word planning again, so critical - heavy vehicle access, and the movement of dangerous goods; and
- making freight data more available and shared more widely.

Now I probably don't need to tell you that because you all know it. You live it each and every day. But it's critical that Governments get it right. And of course investment in the right infrastructure is

also major priority. That's one area where the Australian Government, led by Scott Morrison – again I say, he's got a vision for the future - and myself, has the runs on the board.

We are investing more than \$75 billion – 75 thousand million dollars - over the next 10 years in transport infrastructure across Australia. That's a record level investment. Many of these projects – big and small – invest in Australia's freight future.

At one end of the size spectrum is our \$9.3 billion commitment through grant and equity funding to the Australian Rail Track Corporation – appreciating John Fullerton is here this morning, welcome - to deliver the 1,700 kilometre corridor of commerce that is called the Melbourne-Brisbane Inland Rail.

We turned the first sod near Parkes in the Central West of NSW late last year, using that special golden shovel that I think the last time it had been used was by one Gough Whitlam, many many years ago. I think it's only been used half a dozen times. You know you're holding something special when it's given to you by the National Museum with a person holding white gloves and says: Don't put too much dirt on it; we want it preserved for the future.

But like Western Sydney Airport, decades of conceptualisation are over and work has begun. We're getting on with the job.

Inland Rail will connect rural and regional Australia to millions of customers at home and most importantly abroad. We've signed another Free Trade Agreement with Indonesia in Jakarta this week – that's encouraging - and means rapidly expanding international markets. It's transformational.

It's going to be a game-changer. We're not talking about one or two lengths of line. Now 14,000 tonnes of steel were dropped off just the other day for completion of the Narromine to Parkes section – 14,000 tonnes of steel, that's 14,000 tonnes of Liberty Whyalla steel, South Australian steel, Australian steel, Australian jobs. That's encouraging.

The economic opportunities of Inland Rail are increasingly recognised by the community, appreciating that still some of the alignment is still at six kilometres and will come down to a final 40 or 50 or 60 metres – that will exclude a lot of those who are a bit concerned at the moment. But it needs to happen; it is going to happen; it's going to be a transformational project.

You just look at the Parkes Logistics Terminal with capacity to process about 450,000 cargo containers each year. They are big numbers. They are future numbers. They are great numbers and they're going to happen because we're getting on with the job.

As I say, the first sod was turned; work is happening; hundreds of people are already working on this project and there are many more jobs to be created by it. It's all about investing in not just regional communities but investing in Australia's future.

Inland Rail will create a whole new structure for transport and particularly export of our farming, mining and manufacturing product. It's all about understanding the realities of today to realise the opportunities for tomorrow.

Where Inland Rail is at the bigger end of the size spectrum, some of the projects further along the size spectrum are also vital to Australia's freight future. Whether it's the \$3.5 billion we're putting into the Roads of Strategic Importance with \$1.5 billion for Northern Australia, particularly Northern Queensland – and given the fact they've been very hard hit by the monsoon recently, that storm which came over: they didn't measure it in inches, they measured the actual water that rained down upon them in feet – they need help as part of the reconstruction phase and we've put additional

money into reconstructing the roads. I've been working with Mark Bailey, the Queensland Labor Minister to do what we can as soon as we can, and that's encouraging. But of course, looking down the track, we need to make sure that ROSI, the Roads of Strategic Importance, is being rolled out for the benefit of markets, for the benefit of creating even more jobs.

Projects include providing improved landside access to major ports. This was identified as one of the challenges in the Inquiry into National Freight and Supply Chain priorities.

In Victoria, as an example, we've invested \$38 million towards a \$58 million shuttle network between the Port of Melbourne and suburban intermodal terminals.

This will improve the capacity of the Port of Melbourne by providing regular port rail shuttles from Melbourne's northern and western industrial suburbs, which I have to say are going ahead; Melbourne is booming at the moment; and we need to make sure that we capitalise on that boom, like all our capital cities. There's more cranes over Melbourne and Brisbane at the moment than all of America I read the other day. That's encouraging. We are in a construction boom.

I know that is demonstrated in New South Wales where the Berejiklian-Barilaro Government is rolling out \$90 billion worth of infrastructure over the next four years. It's an amazing effort. They've turned the NSW economy around and they're building for the future.

We're investing – the Federal Government is investing - \$400 million to fully fund the duplication of the Port Botany freight rail line between Mascot and Botany, including a passing loop on the Southern Sydney Freight Line at Cabramatta.

This will provide more reliable container shuttle trains into and out of Port Botany from Sydney's west and south-west.

The Liberal and Nationals Government is not just investing significant funds on rail projects – but also on maritime, air and road projects.

The Townsville Port expansion is one maritime transport infrastructure project we are investing in, as part of the Townsville City Deal between the three levels of Government, local State and Federal. Townsville Port is a vital trade gateway for Northern Australia and our nation.

And as to air transport infrastructure, I need to look no further than the new Sydney airport, the second Sydney airport, Western Sydney's first airport, an international gateway which, when it's completed within five years, is going to be responsible for 28,000 direct jobs. That's just fantastic.

This week the Prime Minister and I were at that naming ceremony, named after Australia's first female commercial pilot, not just Australia's but indeed the British Empire's Nancy-Bird Walton. Western Sydney Airport will be operational in 2026. That's not far away.

The Government that Scott Morrison and I lead is very proud to be moving ahead with this game-changing project, a \$5.3 billion investment over 10 years in a key piece of our infrastructure future.

As the CEO of Western Sydney Airport Graham Millett has just recently said, having an airport in Sydney open around the clock would open up Sydney to a much broader range of possibilities in terms of air freight – that's what it's all about.

When I quickly turn to roads, appreciating the time, we've got the Bruce Highway – a \$10 billion duplication project that we're getting on and doing; and the Pacific Highway. Anthony Albanese and I have looked at doing what we can about the Princes Highway. That's another freight corridor; just like the Newell it's also opening up tourism opportunities.

But most importantly we want to improve the freight supply chain. And most importantly, we want to get people on our roads getting home sooner and safer. That's critical to everything that we do.

Anyone who spends time in Queensland, as I do and as I will be doing later on today, knows that any money that we spend on whether it's the Bruce, the Warrego, wherever – is money well spent, as is our \$2.9 billion investment on the North-South Corridor running through Adelaide.

So no matter where it is around the nation, we want to build it. We want to get on with the job of doing it. And we want to ensure that your freight supply chains are more efficient, more productive because that inevitably will create more jobs and more opportunities.

I was particularly pleased late last year to announce the culmination of much work building a new set of national standards and procedures approved by the National Heavy Vehicle Regulator.

As you may recall, development of the code flowed from an investment of \$433,000 and was built with the deep involvement of your council, the Australian Logistics Council – and I say thank you for that. It's a fine example of how Government can work closely with organisations such as yours to build a better future.

It's an example of self-help, with our heavy vehicle industry taking a voluntary lead to further boost safety by developing this Master Code. It feeds so neatly into our infrastructure plan, our \$75 billion of investment.

Yes, the Master Code sets a new benchmark for safety standards in the industry now but also most importantly into the future.

I am most interested in any further feedback you have. I always welcome emails from you, suggestions from you. It's important that as the Minister that I listen, that I take notice of all the good things that you tell me and all the important things that you want me as the Minister and us as the Government to do to even further enhance what you do.

And I say again: Thank you for what you do. Thank you to the Council for the involvement that you have, and I very much appreciate your attendance here this morning. Thank you.

[ENDS]

Question:

David Sexton, Guardian. Mr Albanese was a bit critical of the Government yesterday over the connection or lack of it between Acacia Ridge and Port of Brisbane. Do you have a stand on how that's going to be resolved please?

Michael McCormack:

You would think that Anthony would be I suppose critical. We're not too much away from a federal election, so it's game on at the moment. But look, I want to work with the Queensland Government, I do, bearing in mind the inter-governmental agreement for the Inland Rail for Queensland hasn't as yet been signed off. But I've been working closely with Mark Bailey. I know that that section is important. The fact is, we're getting on with the job of building the Inland Rail. We've dropped off the last lot of steel for the Narromine to Parkes section. We will continue to negotiate with stakeholders, whether they're landholders, whether they're people directly affected by the potential corridor, the potential alignment, indeed right up to local and State Governments, to get this done.

Yes, it's nation-building infrastructure. Yes we still have to sign off on a few of the things to get the process really bedded down. But we will get there. In good faith we'll get there. I appreciate the bipartisanship that has been shown across the chamber, across the Parliament, for this project. I know that the Queensland Government, I know that Annastacia Palaszczuk has said that it's a good project. I know that Mark Bailey understands that, too, and I appreciate the support that Anthony Albanese has given it. We will work through these things and we'll get there, not for our sake, not the Liberal Nationals, not for the Federal Government or the State Government but for the people it will benefit, reducing that per tonne dollar amount that it's going to take to get goods from Central Western NSW to Melbourne or Brisbane and onto our export markets. It is going to make great savings in the future. It is going to lead to job opportunities created in the future, and we'll work through the processes to get it done.

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