



## **Delivery on Infrastructure Priorities Critical to Boosting Productivity**

The Australian Logistics Council (ALC) welcomes the strong infrastructure focus in the 2013/2014 Budget, but it remains to be seen how and when many of the major freight logistics projects will be delivered and how they will ultimately be funded.

“A strong financial commitment to improving our road and rail links is critical to improving freight efficiency and productivity levels in the industry,” said Michael Kilgariff, ALC Managing Director.

“The Government’s intention to boost infrastructure spending under Nation Building 2 is welcome but we also note a number of major projects are contingent on partnership arrangements with the states and also on coming to commercial agreements with the private sector.

“Nation Building 2 will be critical to meeting our future freight challenges, and so ALC looks forward to future governments taking this program forward and ensuring the proposed projects are delivered in a timely fashion to improve supply chain efficiency.

“This will depend in part on the government putting in place appropriate taxation measures to encourage greater private sector investment in freight infrastructure.

“We therefore encourage the work of the Infrastructure Finance Working Group to continue so governments can leverage much needed private capital in freight logistics infrastructure,” he said.

Mr Kilgariff praised the Government for including ‘Moving Freight’ as one of its four core themes under the Nation Building 2 program.

“ALC hopes this more formal recognition of freight in the Nation Building 2 program will help to ensure funds are targeted at freight logistics projects which are in the national interest and have broad and lasting economic and social benefits,” he said.

“Infrastructure projects must have a greater focus on improving supply chain efficiency and increasing capacity on key freight routes, particularly in our major cities and around our ports.

“In this regard, we welcome the proposed investment in track upgrades around Port Botany in Sydney which are critical to supporting growth in containerised freight from the Port, as well as the future expansion of the Moorebank Intermodal Terminal in Sydney’s west.

“To maximise efficiencies across the network we also need to harness 21<sup>st</sup> century technologies and so industry also welcomes the funds allocated to progress the Advanced Train Management System.

“ATMS is a smart train management system that can locate and control trains on the network allowing them to travel at closer intervals safely and has collision avoidance systems on the trains to prevent accidents,” he said.

Mr Kilgariff said the funds allocated to progress an inland freight route was sensible, long term thinking.

“With growing levels of congestion in our cities, it is abundantly clear that greater effort is required by both industry and government to get more freight onto rail, particularly along the north south corridor,” he said.

“The money set aside to undertake further environmental work and to protect corridors for the inland freight route will help to ensure the line can come to fruition which it is economically feasible to do so.”

Date: Tuesday 14 May 2013

Further information: Duncan Sheppard on 0412 340 934