ALC Update

ALC Update is a free newsletter emailed to all our members and stakeholders on the first Friday of each month. If you would like to subscribe/unsubscribe, please contact ALC. Know how we can improve ALC Update? – we’d love to hear your feedback.

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MANAGING DIRECTOR’S UPDATE

The ALC AGM was held on 28 March, just prior to the highly successful ALC Forum on 28-30 March 2012.

ALC Chairman, Don Telford, has released the ALC Annual Report 2011-2012, which covers many of the Council’s policy issues, activities and outcomes over the last 12 months.

2011 was a year of significant achievement for ALC as we consolidated our position as the peak national body representing the major companies in the Australian freight transport and logistics supply chain.

Some significant amendments were also made to the ALC Strategic Plan to reflect a focus on related regulation such as industrial relations, as well as logistics infrastructure, regulatory and economic policy challenges flowing from the Australian resources sector.

To view the 2011/2012 Annual Report

The 2012 ALC Board
Mr Don Telford  
Chairman  
Australian Logistics Council

Mr Ian Murray AM  
Deputy ALC Chairman and Treasurer  
Executive Director  
Australian Institute of Export Ltd

Mr Andrew Ethell  
Deputy ALC Chairman  
General Manager Group  
Corporate Affairs  
Toll Group

Alternate  
Ms Diana Hallam  
Manager, Public Policy & Research Group  
Corporate Affairs  
Toll Group

Mr Mario Philippou  
General Manager Strategy & Business Development  
Aslano Ltd

Mr Michael Kilgarriff  
Managing Director & CEO  
Australian Logistics Council

Mr Ingilby Dickson  
General Manager Supply Chain and Processing  
BlueScope Steel

Mr Paul Larsen  
CEO  
Brookfield Rail

Dr Tania Whyte  
President Commercial  
Linfox Logistics

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Mr Shane Falkiner  
Group Manager - Compliance  
Asia Pacific Linfox Logistics

Ms Lisa Brock  
Executive Manager Freight  
QANTAS Freight

Mr Ken Lewsey  
Executive VP for Strategy & Business Development  
QR National

Alternate  
Hans Anneveldt  
Vice President - Intermodal  
Strategy and Business Development  
QR National

Mr Stephen Cleary  
CEO  
Star Track Express

Alternate  
Mr Theo Triantafillides  
Director Sales and Marketing  
Star Track Express

‘About ALC’—The Australian Logistics Council represents the major and national companies participating in the Australian freight transport and logistics supply chain.

Our mission is to influence national transport and infrastructure regulation and policy to ensure Australia has safe, secure, efficient, sustainable and internationally competitive supply chains.

The Australian Logistics Council members and associate members are major companies, associations, government agencies and organisations participating in the Australian freight transport and logistics supply chain. To view a list of our members see last page.
More than 250 industry and government leaders gathered at the ALC Annual Forum 2012, held over two days at the Sofitel Sydney Wentworth, to discuss the big issues in the freight logistics industry.

The high level discussions were kicked off by Federal Infrastructure and Transport Minister, Anthony Albanese, whose speech and question and answer session set the scene for an invigorating two days of interactive debate between delegates.

Another highlight of the event was the ALC Annual Dinner, where former Deputy Prime Minister and Ambassador to the Holy See, Tim Fischer spoke passionately about the need to engage in long term thinking to address Australia’s infrastructure and transport challenges (see page 7 for an extract of Mr Fischer’s speech).

At the dinner, long time ALC board member and Deputy Chair, Ian Murray AM, was made an Honorary Fellow of the ALC in recognition of his significant contribution to the ALC over the last 10 years.

ALC would like to thank everyone who attended this year’s Forum and took part in the national debate on logistics infrastructure, regulation, productivity and safety.

Planning has already commenced for next year’s Forum, which ALC expects will be held in Melbourne in early 2013.

ALC thanks its Forum Sponsors
**ALC Welcomes New Members**

**Qube**
Council Member

![Qube Logo]

**SCF**
Council Member

![SCF Logo]

**Australia Post**
Associate Member

![Australia Post Logo]
The following is an extract of Tim Fischer’s speech to the ALC Annual Dinner at the Ivy Restaurant in Sydney last month. Mr Fischer, who is the former Deputy Prime Minister and Australian Ambassador to the Holy See, gave an entertaining speech at the dinner on the topic “Lobbying Hard for Holistic Logistics!”

This month of March 2012 is the 80th birthday of a shining example of good infrastructure admired by the world, the opening of the Sydney Harbour Bridge.

There is a little known ‘add on’ to the brilliance of the work of John Bradfield, the long sighted holistic thinking Australian engineer who designed ‘the bridge’. Not only did he design space for the ultimate capacity of eight road lanes but extra space for the vertical clearance of the approach tunnels for the two key railway lines. He did likewise for the now disused tram approach tunnels.

Vision for the long term was to the fore and so he created a vertical clearance of 14’ 6” or 4.4 metres, greatly higher than British Railways standard gauge and higher than the then NSW country vertical loading gauge, for the same standard gauge 4’ 8½” or 1435 mm rail track.

This one decision was critical as it later allowed another brilliant engineer, Roy Leembruggen to design the world leading double decking of the Sydney urban fleet. In turn this allowed an 80% increase in carrying capacity for the Sydney suburban network without building one kilometre of extra track.

It was a timely vital boost to transport capacity, all because John Bradfield had the brains to ‘Go Long’ in his design strategies and it is what is needed today more than ever before. Clear thinking and planning for the long term is a must for all aspects of logistics networks, which after all are the arteries of the modern Australian economy.

The one disappointment I have encountered on return to this great country Australia after three years in Rome is the domination of the short term and ultra-short term within almost everything, in the media right through to all three levels of Government, let alone with the screen traders.
Screen traders seem to regard ninety seconds as a day and a week as an eternity with their positioning. In turn this launches a particular type of acid which is injurious to longer term strategic investing. Yes they have a role and a place in the sun but should not be allowed to corrode the template that drives longer term planning and investing and the providing of infrastructure for the future.

Examples of projects include enhancing access to the giant Acacia Ridge Freight Hub just south of Brisbane, developing the giant south west side of Melbourne freight hub to allow for double stacked container train access and full B double and some limited triple road access. Also the fixing once and for all of Botany Bay container train access so that it might reach the figure of 30% by rail by 2030. With Nick Greiner grinding away, perhaps even 50% might be obtained which I admit would be hard to obtain but would be a huge improvement and a win-win for all stakeholders.

I might add many 100,000 population plus centres need ring roads for through truck and other traffic now. Port Augusta needs its super inter modal freight hub now and Wodonga Logic needs its rail connection now. Western Australia and Queensland need their Oakajee and Galilee new rail freight networks (in standard gauge), plus Surat rail into Gladstone logically should be dual gauge initially, further the Bruce Highway should be made flood free permanently. All of this is before even raising the issue of High Speed Rail and second airports.

Australia needs to ‘go long’ with its transport infrastructure in particular, with its logistics planning generally but in a smart way and with responsible funding arrangements in place.
Towards an Efficient Freight Network – a review of progress in tackling blockages to freight efficiency is a new report commissioned by ALC to analyse what action has been taken to address 23 critical supply chain blockages identified in an earlier ALC report in 2008.

The report, by Economic Connections Pty Ltd, focuses on the extent to which the blockages have been given consideration by Infrastructure Australia in their reports to government.

The report also contains a number of high level recommendations designed to stimulate policy debate among industry and government to achieve a more efficient freight future.

For example, it recommends Infrastructure Australia undertakes transparent and detailed public reporting with implementation of the national strategies and infrastructure proposals recommended to IA.

Increased reporting such as this would help to bridge the gap between methodologies, plans and assessments on the one hand, and on the other, real on-the-ground action.

Towards an Efficient Freight Network – a review of progress in tackling blockages to freight efficiency is available on the ALC website CLICK HERE

See below for the report’s executive summary, recommendations and review of supply chain blockages.

Key findings and recommendations

Key findings

From our review of reports on infrastructure priorities and strategy documents prepared by Infrastructure Australia and submitted to government for consideration, it appears that some progress has been achieved against many of the initial set of 23 blockages identified by ALC Members, including areas of regulatory and institutional reform. However, many seemingly high profile issues do not appear to have shown much progress over the term covered by Infrastructure Australia’s (IA) reports to government.

While progress has been achieved, this does not suggest that all blockages have been eliminated to provide a fully integrated and efficient transport system. Further action will be required by all levels of government, with the cooperation of industry, to realise such an outcome over time.

In undertaking the review, we arrived at a set of key recommendations.

Recommendations

Targeted action is required to ensure tangible progress to ease constraints to transport efficiency. The following recommendations are proposed to assist the ALC in guiding this process to address the blockages they have identified.

Recommendation 1: ALC should encourage IA and governments to:

- Undertake transparent and detailed public reporting of progress with implementation of the numerous national strategies and infrastructure proposals IA has recommended. This should also include reporting of projects that were deemed to be of low priority but were, nevertheless, funded at the expense of higher priorities.
Recommendation 2: ALC should play a leading role in ensuring that IA and governments:

» Translate national strategies into implementation agendas that contain practical actions jurisdictions will undertake to ensure the freight and logistics sector can meet its major challenges into the future;

» Develop implementation agendas that include specific actions, accountabilities and timeframes (‘who does what by when’); and

» Endorse key actions at the highest possible level, preferably COAG, so they are seen as commitments.

Recommendation 3: ALC should consult with IA to develop a report on outcomes for projects submitted to government as part of the “Ready to Proceed” Priority List. This could assist industry and promote productivity gains by allowing industry to better plan their investment decisions:

» This should include an implementation path for initiatives agreed by government and a timetable for completion

» The report should note where responsibility for implementation of an initiative rests and factors contributing to delays in progressing action on that initiative

» Projects that do not receive funding due to budget constraints should also be monitored as priorities for future action.

Recommendation 4: ALC should promote the principle that access to Commonwealth infrastructure funding should be conditional on delivery of key reforms for the freight and logistics sector, and for this to happen:

» Actions to be delivered need to be practical and measurable;

» There needs to be regular public reporting of progress;

» IA should be requested to undertake such monitoring; and

» ALC may also wish to monitor progress and report via its website.

Recommendation 5: ALC should reinforce to the Commonwealth and IA the importance of a vibrant coastal shipping sector and the implications of impediments to its improved performance:

» IA needs to ensure that the emerging National Freight Strategy supports a positive and growing role for coastal shipping, and that specific actions to achieve this are recommended.

Recommendation 6: ALC should support a role for IA in facilitating difficult national reforms. Two of the most difficult areas are service provision and efficient pricing. To date the focus on pricing has been on heavy vehicle charges; however, heavy vehicles are generally a relatively small component of total traffic on most key routes. Measures to improve urban congestion to deliver better travel times, reliability and infrastructure productivity, depend on addressing light vehicles (especially cars), as well as heavy vehicles. Further, there are broader issues of access to infrastructure, pricing and service delivery across modes and users. Otherwise, reform of heavy vehicle pricing is akin to creating ‘islands of rationality in a sea of irrationality’.

» Governments in cooperation with industry need to ensure that reforms lead to gains in the delivery of services surrounding infrastructure access and use, including efficient pricing.

» IA should take the lead in seeking national agreement to developing a series of real-time road pricing trials covering light and heavy vehicles. This should commence with a national approach to undertaking desktop modelling of a series of road pricing scenarios in each of the congested capital cities.

Recommendation 7: Building on the lessons of the last three years, ALC should now review, consolidate its concerns and identify where there is likely to be the greatest payoff in terms of enhancing freight/logistics efficiency, reliability and competitiveness into the future. Such analysis should also consider the costs associated with delays in the implementation of actions to address key blockages. This is likely to be a mix of infrastructure projects, and policy, planning, institutional, funding, regulatory, pricing and management reforms. It should then ask how it can best pursue these reforms in an integrated approach.

» ALC should work closely with all levels of government, particularly at the state/territory level, to identify and develop proposals for action to improve transport efficiency.
### TABLE 1: Preparing the Rail System for Future Challenges

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<thead>
<tr>
<th>Blockage</th>
<th>Progress</th>
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<tbody>
<tr>
<td><strong>Resources Rail network.</strong> Develop the rail network that is needed to serve a rapidly growing resources sector.</td>
<td>Three initiatives identified but no specific proposals endorsed by IA for action by Government. Several actions – operational and infrastructure – have been implemented to improve efficiency of the Hunter Valley Coal Chain. The Commonwealth Government in collaboration with the ARTC has allocated funds to improve the rail network through the Hunter Valley. For the period 2008-12, QR planned to invest $2.1 billion to upgrade capacity for the Queensland coal rail network. E.g., QR has allocated $185 million to the Goonyella rail system to lift coal haulage capacity. In 2008, BHP commenced a $1.0 billion rail improvement program for the Pilbara.</td>
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<tr>
<td><strong>North-South Rail Network.</strong> Improve the service standards on the main North-South rail corridor to permit it to operate at a level at which rail will be used for a greater share of the Melbourne-Brisbane freight task.</td>
<td>ARTC is proceeding with construction of the Southern Sydney Freight Line (SSFL) as part of its $2.1 billion North-South improvement program which was commenced in 2005. Other initiatives include concrete re-sleepering, passing loops/lanes and the development of Automatic Train Management System (ATMS). In December 2008, the Federal Government allocated a further $1.2 billion to support ARTC’s program to improve the North-South rail corridor. In 2011, the Commonwealth and NSW signed an inter-government agreement to proceed with the Northern Sydney Freight Corridor as a jointly funded project between the Federal ($840 million) and NSW ($214 million) governments.</td>
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<tr>
<td><strong>East-West Rail Network.</strong> Expand the capacity of the East-West rail network to ensure that future growth can be accommodated without a deterioration of service standards.</td>
<td>Main projects that have secured funding include extension/upgrading capacity of passing loops ($32 million), re-railing of track ($407 million) and re-sleepering ($253 million). Appears to be a lack of initiatives to allow double stacking of containers in tunnels through the Adelaide Hills.</td>
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<tr>
<td><strong>Grain Networks.</strong> Clearly define the role of rail in the future carriage of grain exports and upgrade grain networks to ensure that this role can be performed efficiently.</td>
<td>NSW Grain Freight Review and WA Grain Freight Network Review both completed. In its 2011 Budget, the NSW Government allocated $159 million to rail improvements on the Country Regional Network which meets the Government’s response to the NSW Grain Freight Rail Review. The WA Government has committed $178.8m over four years to bolster the state’s grain freight network. The funding package is in addition to the Federal Government’s commitment of $135m announced in the 2010-11 Budget.</td>
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TABLE 2: Corridor Access to Ports, Airports and Intermodal terminals

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<th>Blockage</th>
<th>Progress</th>
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<tr>
<td><strong>Shipping Channels.</strong> Ensure that shipping</td>
<td>A National Ports Strategy has been developed. It provides a potential mechanism to ensure channel needs are identified in a timely way. COAG has requested the Infrastructure/Transport Ministerial Council to develop an associated implementation plan for the strategy. This should include firm and explicit commitments to ensure channel needs are identified and priorities considered in infrastructure budgets. Several shipping channel proposals are being assessed by IA, e.g., Oakajee. More should be anticipated.</td>
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<tr>
<td>channels serving all major ports are capable of</td>
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<td>serving the vessels of the size needed to carry our</td>
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<td>international trade efficiently.</td>
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<td><strong>Identify Inter-Modal Terminal (IMT) Sites.</strong></td>
<td>Raised by IA as an on-going concern. Several proposals submitted to IA including Moorebank, Donnybrook, Bell Bay, Abbot Point, Port of Melbourne Freight Terminal and Smart Port ICT. Sydney Inter-Modal Terminal Alliance (SIMTA) proposal for Moorebank has been endorsed for action. The Commonwealth Government has allocated $70.7 million to complete the detailed planning of Moorebank. Staged redevelopment of the hub is expected to start in 2013.</td>
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<tr>
<td><strong>Protect Access Corridors.</strong> Define and protect</td>
<td>Against a background of poor freight access protection, corridor definition and protection is receiving positive attention through existing and developing national strategies. This includes the foreshadowed National Infrastructure Corridors Strategy, which needs to be developed as a priority. The Commonwealth’s National Urban Policy commits to requiring state planning and protection of economic infrastructure corridors, sites and buffers in order to be eligible for Commonwealth infrastructure funding.</td>
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<tr>
<td>the road and rail corridors to all significant</td>
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<td>ports and strategic IMTs.</td>
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<td><strong>Concessional Limits.</strong> Implement a programme of</td>
<td>No systematic national approach to the provision of concessional limits for heavy vehicles serving intermodal terminals. This is an issue that could be progressed by the National Heavy Vehicle Regulator.</td>
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<tr>
<td>concessional limits for heavy road vehicles</td>
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<td>serving intermodal terminals to encourage the</td>
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<td>complementary use of road and rail modes.</td>
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<tr>
<td><strong>Short Haul Rail.</strong> Develop short haul rail</td>
<td>IA has stressed the need for dedicated rail links and guaranteed access paths for short haul rail freight in urban areas (i.e., port to terminal). This also requires clear planning of terminals and access reservations. Apart for planning surrounding Moorebank terminal and the Victorian freight plan, there appears to be little progress on this issue.</td>
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<td>routes linking urban IMTs and container ports to</td>
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<td>allow efficient rail operation, including where</td>
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<td>possible freight only tracks and provision for</td>
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<td>double-stacking.</td>
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### TABLE 3: Developing Clearly Articulated Freight Transport Plans

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<th>Blockage</th>
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<tr>
<td><strong>Transport Plans.</strong> Build on and integrate the AusLink corridor strategies and the Infrastructure Australia Agenda to provide a clear and comprehensive plan for transport infrastructure of national importance, including port access links.</td>
<td>There has been considerable progress centred on development of the National Ports Strategy and the National Freight Strategy. The latter is still under development and must be robust and practical. Most importantly, the Ports and Freight Strategies must elicit firm commitments to deliver essential on-the-ground reform agendas and improvements within a reasonable timeframe.</td>
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<tr>
<td><strong>Develop Comprehensive Strategies.</strong> Develop comprehensive freight and logistics strategies covering both rural and urban freight movements in all states. Developing clearly articulated freight transport plans.</td>
<td>There has been on-going implementation of investment strategies to improve the National Network including the Hume and Pacific Highways. There is also major progress at the moment with the development of the National Freight, Port and Urban Strategies. Their quality will colour state-based strategies. Much depends on implementation plans, where the &quot;rubber hits the road&quot; in terms of freight improvements. The Commonwealth has sought to tie tranches of its infrastructure funding to State implementation of reforms. This needs to be supported.</td>
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<tr>
<td><strong>B-double &amp; B-triple Networks.</strong> Accelerate the definition and implementation of a national B-Triple network and ensure that the B-Double network is extended to allow access from all significant production facilities to major freight routes.</td>
<td>The National Land Freight Strategy Discussion Paper does not make specific reference to the development of a national network for B-doubles and B-triples. There is general discussion surrounding the need for improved planning for freight networks. The expectation is that the National Heavy Vehicle Regulator should progress this issue.</td>
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<td><strong>Fast Track Planning.</strong> Effectively implement in each State fast-track planning processes for transport infrastructure of strategic economic significance.</td>
<td>Despite reforms by several jurisdictions to fast track the planning/approval process for projects, there appears to be a lack of progress for many proposals submitted to IA for consideration and returned to proponents for further analysis. The key factors contributing to such delays are unknown.</td>
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<tr>
<td><strong>Rest Areas.</strong> Provide sufficient rest areas on all major highways to allow effective fatigue management while minimising any impact on the productivity of road haulage operations.</td>
<td>The Commonwealth Government has allocated $70 million through the Heavy Vehicle Safety and Productivity Program for the development, among other activities, of rest areas.</td>
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<td><strong>Climate Change.</strong> Undertake a comprehensive national assessment of the effect of climate change on transport infrastructure and develop strategies for managing this effect to minimise the impact on infrastructure cost and reliability.</td>
<td>IA has raised the need for proponents to explicitly include options to assess the potential consequences of climate change on infrastructure. However, there appears to be a lack of initiatives to tackle head-on options to mitigate potential impacts of climate change. IA has argued the case for greater consideration to be given to road pricing to better manage urban congestion but this is yet to be taken up.</td>
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<tr>
<td><strong>Coastal Shipping.</strong> Develop coastal shipping policies to accommodate environmentally sustainable and efficient freight transport growth.</td>
<td>The Commonwealth has tabled bills relating to improving the Australian shipping industry, including coastal shipping in Australian vessels. There is a risk that current policy directions may not improve overall efficiency of coastal shipping in the context of growth in the freight task with potential impacts on dependent industries and on freight diversion to land transport. IA needs to incorporate an effective role for coastal shipping in its Ports and Freight Strategies.</td>
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</table>
Ensuring Consistency in Regulation

**Blockage**

**Open Access Regimes.** Ensure that, wherever practical, all significant new transport infrastructure is subject to an open access regime, and develop improved regulatory processes to reduce the delays and costs to access seekers and access providers.

IA has argued the case for open access to infrastructure, and the need for reform to ensure efficiency in the use of resources while recognizing the role of pricing to ensure adequate return to owners of such infrastructure (terminals, rail, ports). This is an issue for competition policy, with the most recent case being focused on access by competitors to rail infrastructure in the Pilbara, with BHP/RIO being required to allow other mining companies to use their rail infrastructure.

**Streamline PPP Approvals.** Develop streamlined PPP approval processes to facilitate private investment in transport infrastructure.

Greater private sector, including superannuation, investment in transport infrastructure is essential. IA’s Infrastructure Financing Working Group will be critical and its recommendations must be translated into better practice by all governments. Community and industry antipathy towards high value tollroads must be addressed, as this could impede private investment.

**Uniform Rail Standards.** Implement nationally uniform technical, safety and communications standards for rail operations.

Adoption of the National Rail Safety Legislation and the creation of the National Rail Safety Regulator should remove regulatory inconsistencies currently faced by rail operators who operate across borders.

**Road Pricing.** Reform road pricing to facilitate the efficient use of road vehicles and appropriate allocation of the freight task between road and rail.

The COAG Urban Congestion Review argued the case for trials on road pricing. IA has also supported the use of road pricing to better manage demand for urban road networks. Substantial action is yet to be achieved on this issue. It is an issue that requires a coordinated national approach, and hence needs to be progressed through COAG/SCOTI.

**High Productivity Vehicles.** Reduce the regulatory barriers to the introduction of innovative high productivity vehicles.

The Standing Council on Transport and Infrastructure was asked to approve a set of recommendations to simplify the Performance Based Standards (PBS) scheme and to improve the likelihood of network access for PBS vehicles. Road access for Higher Mass Limits vehicles is still unnecessarily limited in some jurisdictions. This may improve with the creation of the National Heavy Vehicles Regulator.

**Over-dimension Vehicles.** Adopt nationally consistent and less burdensome regulation to reduce the costs associated with the movement of over-dimension vehicles.

Over-dimensional transport is generally only permitted for the movement of large, indivisible items that cannot be broken down and transported within prescriptive dimensional limits. Regulations often vary from jurisdiction to jurisdiction. This is an issue that needs to be addressed by the National Heavy Vehicle Regulator to ensure consistency in interpretation and applicable of regulations governing access to road networks by these vehicles.

**Harmonise Fatigue Management.** Harmonise legislative processes and regulatory arrangements associated with the implementation of the national fatigue management system.

It is difficult to make an assessment of fatigue policy outcomes until the detail of the Heavy Vehicle National Law is available. It is expected that the implementation of the National Road Safety Regulator should lead to more consistent enforcement of fatigue provisions.

**Progress**

**TABLE 4: Ensuring Consistency in Regulation**

<table>
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<td>access seekers and access providers.</td>
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<td><strong>Streamline PPP Approvals.</strong> Develop</td>
<td>Greater private sector, including superannuation, investment in transport infrastructure is essential. IA’s Infrastructure Financing Working Group will be critical and its recommendations must be translated into better practice by all governments. Community and industry antipathy towards high value tollroads must be addressed, as this could impede private investment.</td>
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<td>streamlined PPP approval processes to</td>
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<td>facilitate private investment in</td>
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<td>transport infrastructure.</td>
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<td><strong>Uniform Rail Standards.</strong> Implement</td>
<td>Adoption of the National Rail Safety Legislation and the creation of the National Rail Safety Regulator should remove regulatory inconsistencies currently faced by rail operators who operate across borders.</td>
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<td>nationally uniform technical, safety</td>
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<td>and communications standards for rail</td>
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<td><strong>Road Pricing.</strong> Reform road pricing</td>
<td>The COAG Urban Congestion Review argued the case for trials on road pricing. IA has also supported the use of road pricing to better manage demand for urban road networks. Substantial action is yet to be achieved on this issue. It is an issue that requires a coordinated national approach, and hence needs to be progressed through COAG/SCOTI.</td>
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<td><strong>High Productivity Vehicles.</strong> Reduce</td>
<td>The Standing Council on Transport and Infrastructure was asked to approve a set of recommendations to simplify the Performance Based Standards (PBS) scheme and to improve the likelihood of network access for PBS vehicles. Road access for Higher Mass Limits vehicles is still unnecessarily limited in some jurisdictions. This may improve with the creation of the National Heavy Vehicles Regulator.</td>
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<td>the regulatory barriers to the</td>
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<td>introduction of innovative high</td>
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<td>productivity vehicles.</td>
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<tr>
<td><strong>Over-dimension Vehicles.</strong> Adopt</td>
<td>Over-dimensional transport is generally only permitted for the movement of large, indivisible items that cannot be broken down and transported within prescriptive dimensional limits. Regulations often vary from jurisdiction to jurisdiction. This is an issue that needs to be addressed by the National Heavy Vehicle Regulator to ensure consistency in interpretation and applicable of regulations governing access to road networks by these vehicles.</td>
</tr>
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<td>nationally consistent and less</td>
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<td>burdensome regulation to reduce the</td>
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<td>costs associated with the movement of</td>
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<td>over-dimension vehicles.</td>
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<td><strong>Harmonise Fatigue Management.</strong></td>
<td>It is difficult to make an assessment of fatigue policy outcomes until the detail of the Heavy Vehicle National Law is available. It is expected that the implementation of the National Road Safety Regulator should lead to more consistent enforcement of fatigue provisions.</td>
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<td>Harmonise legislative processes and</td>
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<td>regulatory arrangements associated with</td>
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<td>the implementation of the national</td>
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<td>fatigue management system.</td>
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Rail Fatigue Risk Management

The National Transport Commission recently called for submissions on proposed options for fatigue risk management within the rail industry.


ALC supports Option 1 in regards to fatigue risk management, whereby a performance based approach is applied. This option allows operators to establish hours of work and rest through a risk-based approach.

In its submission, ALC argued that not adopting a prescriptive fatigue management will enhance efficiency, productivity and innovation, and allow operators to tailor their fatigue risk management program to their specific requirements.

It will also enable companies to incorporate improvements in work practices arising through improved systems or the introduction of better technology.

Adopting a performance based approach would also streamline the regulatory arrangements and reduce the compliance burden on industry, while delivering a safer outcome.

To view the ALC submission, CLICK HERE

In March 2012, both Houses of Parliament passed the Road Safety Remuneration Bill, and with Royal Assent, the new Road Safety Remuneration Tribunal will come into effect on 1 July 2012.

ALC continues to hold the view that the national approach to Chain of Responsibility that will be achieved under the Heavy Vehicle National Law is the more effective way to achieve improved road safety outcomes, rather than the imposition of another layer of regulation in the form of the Road Safety Remuneration Tribunal.

However, with the Bill now passing through the Parliament, ALC is committed to working in a constructive fashion under the new regime on behalf of its membership.

To that end, ALC Managing Director Michael Kilgariff was quoted in the Australian Financial Review advocating for industry representation on the new Tribunal:

“ALC hopes the Tribunal has genuine representation from industry, and is not a pale imitation of the Fair Work Australia Tribunal,” Mr Kilgariff said.

“From ALC’s perspective, we do not want to see the Tribunal straying into areas other than road safety, as this has the potential to significantly impact on the ability of businesses to run their operations in a commercially efficient manner.”

Read the full article here
COAG Business Advisory Forum

ALC has written to the Prime Minister and all State and Territory leaders requesting that at least one member of the 25-person COAG Business Advisory Forum comes from the freight logistics industry.

At her announcement of the new Forum, Prime Minister Julia Gillard said she wanted COAG to “hear directly from Australian businesses about what would make them more productive and what regulation challenges they face.”

ALC believes it is critical they hear directly from Australia’s freight logistics industry so they fully appreciate how a nationally consistent regulatory framework for transport will boost productivity, increase efficiency and improve safety.

ALC has argued for a seat at the table as we believe there needs to be a renewed focus on ensuring that the national transport laws currently being developed are national in both name and practice. This means the implementation of a single set of national laws overseen by national regulators to ensure the laws operate in a uniform fashion across the country.

Furthermore, states and territories should be encouraged to support the recommendations of the National Land Freight Strategy and National Ports Strategy, and to ensure key freight corridors are recognised and preserved in their jurisdictions.

NSW Freight and Port Strategies

ALC has been invited to take part in the development of the NSW Freight and Port Strategies, which Transport for NSW says will provide a strong framework for the future of freight transport in NSW.

ALC Managing Director Michael Kilgariff will be part of a high-level Specialist Reference Group that will provide the Freight and Regional Development division of Transport for NSW with input and advice on the strategies’ development.

The Freight and Port Strategies are being developed in the context of the long term Transport Master Plan for NSW which will focus on the state’s priority transport issues, such as increasing the use of rail to move freight to Port Botany, corridor preservation, road charging and the preservation of sites for intermodal facilities.

Chapter 7 of the long term transport plan deals with freight transport:

In its response to the RIS, ALC supported the development of a non-regulatory code of practice that advises what constitutes ‘best practice’ in managing the security risks associated with the movement of precursor chemicals.

ALC argued that any code of practice should be both workable, meaningful, and capable of being implemented with limited cost, otherwise it will serve no useful purpose.

ALC also highlighted its experience in developing industry codes of practice, and offered the Government to assist in the development of any Code.

To view the ALC submission on the RIS

Precursor chemicals to homemade explosives

The Federal Government is tightening the movement and access of eleven chemicals identified as being ‘precursors’ to homemade explosives, and has invited industry to provide comment on its Regulatory Impact Statement which canvases four potential options to achieve its policy aim. These options are:

- a targeted awareness campaign
- industry codes
- a government code of practice
- regulation

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To view the ALC submission on the RIS
Moving People taskforce

ALC has joined the ‘Moving People 2030 Taskforce’ which will develop a plan focussing on achieving better planning, land use management and transport systems to meet Australia’s long term needs.

The report aims to outline a vision for an integrated and multi modal system that will safely and efficiently move Australians and our goods anywhere and anytime. ALC will provide input on the freight component of the report, which will draw heavily on the ALC Infrastructure Report released at the ALC Forum last month.

The establishment of the Taskforce was announced at a Dinner involving Federal Infrastructure and Transport Minister, Anthony Albanese, along with the Shadow Minister, Warren Truss, both of whom welcomed the body’s establishment to provide government with industry’s plan to tackle our transport future.

Shipping Reforms Inquiry

ALC has been invited to participate in an inquiry into the Federal Government’s Shipping Reform Bills.

The House of Representatives Standing Committee on Infrastructure and Communications is inquiring into five bills:

- Coastal Trading (Revitalising Australian Shipping) Bill 2012
- Coastal Trading (Revitalising Australian Shipping) (Consequential Amendments and Transitional Provisions) Bill 2012
- Shipping Registration Amendment (Australian International Shipping Register) Bill 2012
- Shipping Reform (Tax Incentives) Bill 2012
- Tax Laws Amendment (Shipping Reform) Bill 2012

ALC intends focussing its comments on the need to ensure that the objects of the coastal shipping legislation do not limit the efficient movement of freight.

To view the ALC submission on the Bills, CLICK HERE

COAG Capital City Report

The COAG Reform Council’s review of capital cities’ planning systems shows a concerning lack of progress to put in place planning systems that are geared to meeting Australia’s freight needs.

The CRC reviewed all eight capital city strategic planning systems against COAG’s nine agreed criteria, with one of the criteria specifically requiring capital cities to provide for nationally significant economic infrastructure, including transport corridors, international gateways, intermodal terminals and land reservation.

The CRC report reveals a number of planning systems do not have clear strategies for matching expected growth in the use of their ports and airports with capacity for these facilities.

It also highlights the fact that a number of jurisdictions do not have strategies in place outlining how their ports integrate into their land use and transport systems.

Perhaps the most concerning fact contained in the report is that Sydney and Melbourne are at the back of the capital city pack when it comes to putting in place adequate infrastructure planning frameworks.

With the Port of Melbourne and Port Botany both expecting current record throughput to continue to increase substantially over the next decade, there is a growing need to ensure we have the infrastructure planning frameworks in place to support these critical international gateways.

A full copy of the report is available by CLICKING HERE.
THE NATIONAL TRANSPORT COMMISSION’S 55TH COMMISSION MEETING WAS HELD IN MELBOURNE ON 2 MARCH 2012.

Issues covered in the CEO’s report included:

» recent SCOTI voting outcomes
» review of the role of the NTC and other government bodies
» updates on recent stakeholder engagement activities
» updates on key projects such as National Rail Safety Regulation, National Heavy Vehicle Regulation, COAG Road Reform Plan, National Port and Freight Strategies, Rail Freight Investment and Heavy Vehicle Charges.

» To read the outcomes from the Commission meeting please CLICK HERE

For other recent NTC announcements please CLICK HERE

ALC SENIOR EXECUTIVE LUNCH SERIES FOR 2012 KICKS OFF IN SA.

ALC hosts very successful Senior Executive Boardroom lunches and dinners in every state and territory with the minister for transport or other relevant portfolio minister, which are widely recognised for their value to industry and government. The Australian freight industry continues to experience exciting challenges and opportunities. These small, intimate events bring together senior industry leaders from ALC member companies and other major industry players to discuss national and state-based issues, priorities and perspectives frankly and directly with state Ministers.

Kicking off the Series will be the SA Lunch with Minister for Transport & Infrastructure The Hon Patrick Conlon MP on the 11 April 2011.

To view other State dates CLICK HERE
The Rail Safety Law (South Australia) Bill has passed through the lower house of the South Australian Parliament and will now head to the Legislative Council for approval. Pending the Bill’s successful passage through the Parliament, it will then be enacted in the other state and territory jurisdictions, thereby paving the way for the establishment of a single national law and regulator responsible for rail safety. Under the new rail safety law, the Australian Transport Safety Bureau will become the national investigator for rail safety accidents.

The new $40 million Altona Intermodal Terminal in Victoria has been described as another important step towards getting more freight on rail in the southern state. The Altona Intermodal Enhancement project was jointly funded by the Federal ($32 million) and Victorian ($8 million) governments.

The project will improve standard gauge rail access for intermodal terminal operations in Altona and involved the construction of an extension to the existing standard gauge passing loop to accommodate 1,800 metre long freight trains, new points providing access from terminals to the mainline and associated signalling and track works along this section of the Melbourne to Adelaide standard gauge line.

For a copy of the ALC submission  \[CLICK HERE\]

For a copy of the PC report  \[CLICK HERE\]

The report also noted a key point made by ALC in its submission which highlighted how inconsistent or capricious decision making by local governments in relation to heavy vehicle road access can impact on efficiency levels in the sector. The report also recognised that the operational efficiency and cost effectiveness of retailers’ logistics networks can be diminished by local government restrictions on the times during which goods can be transported and loaded/unloaded.

A key observation of the report is that many local governments do not have enough resources to effectively undertake their regulatory functions. This may be in part due to state governments devolving additional regulatory responsibilities to local governments without first ensuring they have sufficient skills and resources to undertake the job.
The upgrade of rail at Port Botany continues to take shape, with the first stage of the Port Botany rail upgrade program recently being completed.

The first step has involved the upgrade and reconfiguration of the rail yard, with stage 2 to concentrate on expanding the Enfield rail yard so it can accommodate more trains at any one time.

ALC Member, the Australian Rail Track Corporation, believes the improvements being made to the Port Botany Rail Line will lift its capacity by more than 30 per cent.

“Once the entire project is completed in 2014, the Line will be able to cope with the growth which is expected in the years ahead, including the much higher volumes that will flow from 2013 when the Port’s third terminal becomes operational,” said ARTC Chief Executive, Mr John Fullerton.

“The upgraded Port Botany Rail Line, and the associated works at Enfield, will connect with the new Southern Sydney Freight Line, which is expected to commence operations in early 2013, and from there onto the Main North South Line between Melbourne and Brisbane.

“It will also complement the $1.1 billion project now underway to ease congestion and remove bottlenecks along the rail corridor through Sydney’s northern suburbs to Newcastle as well as the proposed new intermodal facility at Moorebank.

“Together, these projects represent a major overhaul of Sydney’s freight rail infrastructure, which in the longer term will significantly improve operations across the entire national and NSW rail networks.”

The NSW Department of Planning and Infrastructure is inviting the public to comment on a $490 million project proposal to redevelop an 83 hectare site at Moorebank, in Sydney’s south-west, for a rail link and intermodal terminal to transport container freight.

The development is being proposed by ALC Members Qube Logistics and QR National, after QR last week increased its ownership stake in the project to 33 percent (the remaining 67 percent is held by Qube).

Qube Logistics and QR National are proposing to develop the eastern side of Moorebank Ave, adjacent to a 220 hectare site identified by the Commonwealth and NSW governments as a potential site for a future intermodal freight terminal.

The concept plan proposal, by Sydney Intermodal Terminal Alliance (SIMTA), comprises four key components:

» An intermodal terminal with capacity for up to 1 million containers per year;
» A rail link to the Southern Sydney Freight Line;
» 300,000 square metres of warehouse and distribution facilities; and
» A freight village of some 8,000 square metres with support services such as site

Further information on the environmental assessment process is available by clicking here.
Emerson new Transport Minister

Following the recent Queensland State election won by the Liberal National Party, Scott Emerson MP has been sworn in as the Minister for Transport and Main Roads.

Mr Emerson was elected to the Queensland Parliament at the 2009 state election, representing the seat of Indooroopilly for the Liberal National Party. In April 2011 he was appointed Shadow Minister for Transport, Multicultural Affairs and Arts.

Mr Emerson was also previously a Member of the Transport and Local Government Committee which inquired into the Heavy Vehicle National Law Bill 2011 which needs to be passed by the Queensland Parliament before being enacted in other jurisdictions.

ALC is looking forward to meeting with Mr Emerson to discuss the Bill’s progression through the Queensland Parliament.

Kooragang Island

The NSW Department of Planning and Infrastructure is also inviting the public to comment on a proposal to construct a coal export terminal at Kooragang Island in Newcastle.

Port Waratah Coal Services is proposing to build and operate a coal terminal, known as Terminal 4, comprising of rail infrastructure to facilitate coal receival, a stockyard and conveyor system as well as wharves, berths and ancillary facilities.

The $3.5 billion T4 project also requires Commonwealth approval under the Environment Protection and Biodiversity Conservation Act, due to its potential impact on wetlands, threatened species and migratory species.

Further information on the environmental assessment process is available by CLICKING HERE.

AFGC Farewells its CEO Kate Carnell

ALC Associate Member, the Australian Food and Grocery Council, has farewelled its Chief Executive Officer, Kate Carnell, who is the new CEO of the national depression initiative, Beyond Blue.

In his farewell message to Kate, ALC Managing Director Michael Kilgariff highlighted the strong bond between the freight logistics and grocery industries.

The AFGC is a valued Associate Member of the Australian Logistics Council, and our industries enjoy an inextricable bond. Without transport and logistics, there simply wouldn’t be a strong and prosperous food and grocery industry. Conversely, when Australia’s food producers and retailers are thriving, so too are the freight logistics providers who help to ensure products get from A to B - safely, efficiently and reliably.

ALC wishes Kate Carnell all the best in her new role, and looks forward to working with the next CEO of AFGC.

New CEO for Hutchison

Dr Stephen Gumley has been appointed as the chief executive of Hutchison Port Holdings (HPH) in Australia. Dr Gumley will be responsible for the company’s $700m investment developing new container terminals at Brisbane and Port Botany which is expected to bring added capacity and competition to the ports.
AIRFREIGHT STATS CHARTS
UPDATE - APRIL 2012
**ALC 2012 YEAR BOOK ‘FUTURE FREIGHT NETWORKS’**

The 2012 ALC Year Book is set to be a big one, reflecting the wide range of issues ALC has been involved in on behalf of its members over the past 12 months.

All will be covered in the Yearbook titled Future Freight Networks which is due to be published in early May this year.

The publication will build upon the impressive standard that has been set by the previous year, providing information on:

» the key issues currently facing industry members
» the policies, priorities and projects of ALC
» the reasons for Australia’s social and economic dependence on the T&L sector; and
» a feature on the ALC’s Annual Forum 2012, themed Positioning Australia in the Global Supply Chain.

To find out how to involve your company in Future Freight Networks 2012 view the ALC Media Kit or contact David Haratsis, Executive Media on david.haratsis@executivemedia.com.au or (03) 9274-4214.

**NEW BITRE PUBLICATIONS**

» Traffic Growth: Modelling a Global Phenomenon

» Traffic growth in Australia

» Road Deaths Australia

» Avline 2010-2011

**ALC ACTIVITY**

**PRESS RELEASES**

Capital City Report Shows Room for Improvement on Infrastructure and Freight – 2 April 2012

Release of Towards an Efficient Freight Future at the ALC Forum – 29 March 2012

Getting the right infrastructure in the right place at the right time – 28 March 2012

Safety Takes Centre Stage at ALC Forum 2012 – 21 March 2012

Shipping Reforms, Port Efficiency and Industrial Relations to Dominate at ALC Forum 2012 – 14 March 2012

Efficient Intermodal Freight a Critical Component of our Future Economy – 8 March 2012

**ALC SUBMISSIONS**


Fatigue Risk Management – 23 March 2012

Shipping Reform Bills - 5 March 2012

**MEDIA MENTIONS**

Albanese lashes Qube – The Australian Financial Review, 30 March 2012

States told to lift their game on public-private project planning - The Australian, 29 March 2012

Truck safety bill passes Senate – ABC News, 21 March 2012


Now, to get trains of thought on track - The Australian Financial Review, 15 March 2012

Watchdog to crack down on dodgy trucking companies – ABC’s Lateline, 14 March 2012

Melb needs to get a move on – Australian Financial Review, 22 March 2012

Overhaul IR, return to reform – The Australian, 3 March 2012

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