



**AUSTRALIAN  
LOGISTICS COUNCIL**

14 July 2015

The Hon Gordon Rich-Phillips MLC  
Deputy Leader of the Opposition (Legislative Council)  
Shadow Special Minister of State  
Shadow Assistant Treasurer  
Suite 1, 31 Princes Highway  
Dandenong VIC 3175

### **Infrastructure Victoria Bill 2015**

Dear Mr Rich-Phillips

I refer to your letter of 6 July 2015 regarding the *Infrastructure Victoria Bill 2015* (the Bill).

By way of background, the Australian Logistics Council is the peak national body representing the major and national companies participating in the freight logistics industry. ALC has a whole of supply chain focus with membership spanning the major logistics customers, providers, infrastructure owners and suppliers.

ALC welcomes the establishment of specialist bodies modelled on Infrastructure Australia to advise governments on the development of the significant infrastructure that will aid the productivity of the Victorian and Australian economies.

With regards to the critical features mentioned in your letter, ALC has no particular comment to make on the proposed structure of the Board of Infrastructure Victoria, but does agree that clauses 45 and 46, which effectively vests in the Minister the ability to release Infrastructure Victoria advice, may require revision.

To that extent, it is noted that subsection 6(3) of the *Infrastructure Australia Act 2008* confers on Infrastructure Australia the function of promoting public awareness of the advice it provides government, including by publishing information on its website.

ALC has two further observations to make.

It is important that scarce investment funds should only be applied to projects that will enhance the efficiency and productivity of the economy.

Accordingly, ALC would have expected that Infrastructure Victoria would be required to provide a cost benefit analysis for any major infrastructure project identified by the Minister under a 5 year infrastructure plan.

The legislation could be amended to include this requirement.

The other matter is to note that there are quite a number of plans dealing with infrastructure in force in Victoria. They include Plan Melbourne (the Metropolitan Planning Strategy) and the Victorian Freight and Logistics Plan.

While noting that subclause 33(3) of the Bill requires that Infrastructure Victoria must have regard to any land use, transport or other relevant social, economic or environmental policy in Victoria when making or updating the 30 year infrastructure plan, no such requirement is required when the Minister is making a 5 year infrastructure plan.

Industry requires some confidence that the intentions contained in all these plans are actually given effect in a coherent manner and in the case of a 5 year infrastructure plan, that the proposed infrastructure being proposed will enhance the productivity and efficiency of the economy.

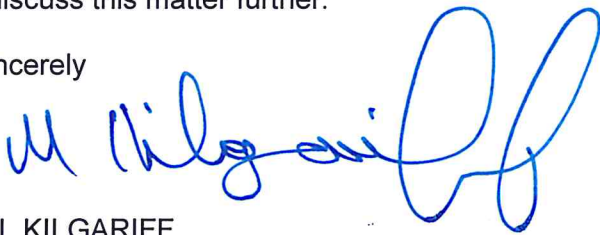
To that extent, in its December 2013 submission to the Victorian Government on the Melbourne Metropolitan Plan, ALC argued there was a role for the Parliament to be actively involved in overseeing the roll out of the Metropolitan Planning Strategy and the Freight and Logistics Plan.

ALC therefore considers that Part 2 of the Parliamentary Committees Act 2003 could be amended to establish a specialist Planning and Infrastructure Committee to consider and report on any proposal, matter or thing relating to the 30 year infrastructure strategy, and 5 year infrastructure plan anticipated by the Bill. This should include a positive requirement to review the first 30 year strategy and 5 year plan (and subsequent amendments made to the instruments), as well as considering the assessment of Infrastructure Victoria on the progress of the 5 year plan anticipated by clause 43 of the Bill.

It would also be desirable if the Committee would have coverage over any proposal or matter relating to the Metropolitan Planning Strategy and the Freight and Logistics Plan, as recommended by ALC in 2013.

Please contact me on 0418 627 995 or at [Michael.kilgariff@austlogistics.com.au](mailto:Michael.kilgariff@austlogistics.com.au) should you wish to discuss this matter further.

Yours sincerely



MICHAEL KILGARIFF  
Managing Director