



AUSTRALIAN LOGISTICS COUNCIL

Welcome speech for the ALC Chairman

Opening of the 2016 ALC Forum

2 March 2016

Thank you Don.

Can I say, on behalf of the ALC Board, the ALC Secretariat, and the broader logistics industry, thank you for your enormous contribution to ALC.

There is a saying the business community:

Outstanding leaders pass the torch with fire blazing.

Mediocre leaders pass a dimly lit torch.

Poor leaders drop the torch making it difficult, if not impossible to pick up.

It is indeed an honour to take the torch from you, one I might say is burning bright!

Last night, Don was inducted into the ALC Hall of Fame for his extraordinary service to our industry.

It is a fitting tribute to a giant of our industry and I look forward to your ongoing involvement with ALC in a less formal sense for many years to come.

Ladies and gentlemen welcome to the 2016 ALC Forum.

Royal Randwick is an amazing location for this event, and it's great to be back in Sydney.

Looking over this morning's track work, I was reminded of that famous quote by the well-known American industrialist Henry Ford, who said:

"If I had asked people what they wanted, they would have said faster horses."

Thankfully, Henry Ford didn't abide by that old adage that the customer is always right.

I begin today with this saying because it underscores the importance of innovative thinking.

The need to push traditional boundaries....

The value in seeking a better way of doing things, even if it flies in the face of conventional practices.

In many ways, this is what the ALC Forum is all about.

The Forum is all about bringing together senior decision makers from across industry and government and having a frank conversation about where our industry needs to be, and how we go about getting there.

As the new Chairman of ALC, a position I am deeply honoured to hold, the Forum represents a valuable opportunity to bring our industry together and to map out a plan for success.

Timing is everything in our business, and we are fortunate that we have timed our Forum to coincide with the launch of the Infrastructure Australia Plan.

The Plan and its recommendations to government will underpin many of our discussions over the next two days.

As the video said, the Forum theme is *Future Logistics Infrastructure*.

I want us to focus our discussions on the practical steps we need to take to ensure we have the right infrastructure in place, operating efficiently, to underpin the continued growth of our sector and of the Australian economy.

The Forum is also about highlighting the importance of the logistics industry to every business and consumer in the country.

Whether it's filling supermarket shelves, supporting our exporters, or delivering urgent, life-saving goods, logistics affects everything we do.

Yet, it does not get the attention it deserves.

As an industry, we must continue to reinforce the importance of our industry to pave the way for the policies and legislation that lead to more efficient supply chains.

Our industry expects nothing less.

Australians deserve nothing less.

As an industry, we need to take this opportunity over the next two days to lay down a challenge to governments of all levels, to improve efficiency in the logistics industry.

This challenge takes on added importance in this federal election year.

Ladies and gentlemen, the benefits are immense if we get it right.

As the video said, we can boost GDP by \$2 billion if we achieve just a 1 percent improvement in productivity.

That is attainable, with smart and considered policies at both the federal and state levels.

And that is where the Infrastructure Australia Plans comes in.

IA, to its credit, has laid the groundwork for improved supply chain efficiency with a well-considered blueprint.

I am thankful that we have IA's CEO, Phil Davies, with us today to take us through the plan.

ALC has been liaising with Infrastructure Australia throughout the course of its deliberations.

I am very pleased it has embraced a number of recommendations ALC made in its submission on the Infrastructure Audit to boost productivity in the freight logistics sector.

IA's plan paves the way for improved freight efficiency.

The challenge before all governments is to work in the national interest and implement its recommendations in a timely and coordinated fashion.

We encourage all political parties in this election year to commit to these common sense reforms.

In particular, we applaud IA's recommendation for a National Freight and Supply Chain Strategy.

The mapping of nationally significant supply chains and their access to supporting infrastructure and gateways is sensible long-term thinking.

So too are their recommendations to strengthen freight corridor protection, progress road funding reforms and integrating land use planning and transport planning.

I am confident that we will continue to see good progress across a number of these and other areas, which is cause for optimism.

Governments at the state and federal levels are investing significant amounts in our nation's infrastructure, inland rail is gathering momentum and there seems to be progress on a number of important transport-related reforms at both the federal and state levels.

Nevertheless, ALC will continue to lobby governments to ensure they recognise the economic benefits of more efficient supply chains, and to make their policy and investment decisions accordingly.

A burgeoning freight task demands nothing less.

In particular, we will continue to encourage the government to ensure any new approach to moving people should not be at the expense of supporting supply chain projects to move freight.

It also needs to be remembered however, that consumer sentiment remains patchy.

So, the onus is on government to put in place policies that encourage growth and investment, and which also ease regulatory burdens on businesses.

It is now my great pleasure to introduce our first keynote speaker.

The Honourable Duncan Gay will be known to all of you.

He has been a Minister in the Coalition Government since April 2011.

Mr Gay is the leader of the National Party in the Legislative Council, where he has been a member since 1988.

Minister Gay has a big job.

Sydney's Freight task is projected to nearly double by the year 2031.

And the Government is committed to doubling the proportion of containers carried by rail to Port Botany which currently sits at around 14%.

At the same time, the NSW Government is embarking on a massive 4-year infrastructure spend in excess of \$68 billion, much of it in Minister Gay's portfolio.

Prior to his political career he owned a small trucking company and managed his family's grazing property at Crookwell.

So he comes to the role with significant knowledge and experience in the issues facing our industry.

Ladies and gentlemen, please welcome to the stage the Honourable Duncan Gay, NSW Minister for Roads, Maritime and Freight.