

## **MEDIA RELEASE**

### **Incentive Based Approach Vital to Progress Reform**

The [Australian Logistics Council](#) (ALC) has supported a new [report](#) from [Infrastructure Australia](#) (IA) which recommends the Federal Government implement an incentive-based approach to secure enduring infrastructure reform.

“This report is an important contribution that will help Australia move beyond the vagaries of political cycles to secure its next round of productivity-enhancing reforms,” said ALC Managing Director, Michael Kilgariff.

“The publication IA has released today builds on the [Australian Infrastructure Plan](#) released in February 2016, which first recommended the establishment of Infrastructure Reform Incentives.”

“Of course, that Plan also adopted ALC’s recommendation that the Federal Government develop a [National Freight and Supply Chain Strategy](#), and ALC has consistently said that finding a way to incentivise cooperation from state, territory and local governments will be central to the success of that Strategy.”

“Several of the recommendations IA has made today align closely with those put forward by ALC in [Freight Doesn’t Vote](#), our major submission to the *Inquiry into National Freight and Supply Chain Priorities* – particularly around the need to incentivise jurisdictional action on planning reforms, corridor protection, ensuring operational flexibility for key freight infrastructure and establishing an effective and transparent approach to road pricing.”

“ALC applauds IA’s suggestion that the Federal Government adopts an approach based on the success of past policies, including National Competition Policy Payments and the Asset Recycling Initiative. These both proved to be effective catalysts for securing jurisdictional cooperation for much-needed, but contentious, policy reforms,” Mr Kilgariff said.

“We also endorse the recommendation that the Federal Government subject itself to the same accountability mechanisms as apply to state and territory governments for progressing reforms.”

“An economic initiative such as the National Freight and Supply Chain Strategy contains many complex elements that will require careful negotiation with state, territory and local governments.”

“Linking additional funding for infrastructure to the delivery of certain policy actions will help produce the outcomes the freight logistics industry needs,” he concluded.

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