I have written to Australia’s transport and infrastructure ministers ahead of next week’s Standing Council on Transport and Infrastructure (SCOTI) meeting to highlight a number of issues of concern to the Australian Logistics Council.

This next meeting of SCOTI is pivotal, with a range of critical issues requiring urgent consideration and action by transport ministers. These include the National Land Freight Strategy Update, the National Ports Strategy, Nation Building 2 and the establishment of national transport regulators.

ALC is generally satisfied with the progress to establish regulators for rail safety and maritime safety. However, we hold concerns over the slippage in the roll-out of the National Heavy Vehicle Regulator (NHVR).

The NHVR is due to come into effect on 1 January 2013, but it won’t start many of its important regulatory functions until 1 July 2013. This six month delay was largely due to the Queensland election and Bill 2 (which enshrines many of the NHVR’s regulatory responsibilities), has not yet passed the Queensland Parliament.

ALC has always championed the concept of a national heavy regulator ‘with teeth’ to unlock the $12 billion in productivity benefits that have been identified from this reform. These benefits will come from improving heavy vehicle access to key freight routes and reducing compliance costs on industry.

With these critical issues in mind, I’ve asked for:

» the timely introduction of the Heavy Vehicle National Law (bill 2) through the Queensland Parliament
» confirmation that the National Heavy Vehicle Regulator will have all the necessary resources to ensure the efficient operation of the new scheme of national regulation
» a renewed emphasis on the timely development of regulations and guidelines that are necessary to enhance the productivity benefits associated with this reform.

I look forward to providing you an update on the November SCOTI meeting in the next edition of Update.
The next 12 months are shaping up to be pivotal for the freight logistics industry, making the ALC Forum 2013 a not-to-be missed event.

A SNEAK PEEK AT OUR SPEAKERS...

Steven Asnicar, CEO, Urban Global
Stephen Bradford, CEO, Port of Melbourne Corporation
Michael Byrne, CEO, Linfox
Stephen Cleary, CEO, StarTrack
Paddy Crumlin, National Secretary, MUA
Michael Deegan, Infrastructure Coordinator, Infrastructure Australia
Joe Dimasi, Commissioner, ACCC
John Fullerton, CEO, ARTC
Terry Garwood, Executive Director Freight & Marine, Department of Transport (VIC)
Grant Gilfillan, CEO, Sydney Ports Corporation
Lance Hockridge, CEO, QR National
David Jackson, CEO, Toll Global Resources
Maurice James, Managing Director, Dube
Brian Kruge, Managing Director, Toll Group
Paul Larsen, CEO, Brookfield Rail
Michael Lambert, Chairman, Heavy Vehicle Charging & Investment Reform
Brett Millar, OHSE Manager, ITAC Services
Mike Mrdak, Secretary, Department of Infrastructure & Transport
Conor O’Malley, GM Logistics, Coles
Bernard Salt, Partner, KPMG
Tony Sheldon, Federal Secretary, TWU
Peter Stokes, Chief Operating Officer, Linfox
Don Telford, Chairman, ALC
Mick Turnbull, CEO - Australasia & North Asia, Agility Logistics

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EARLY BIRD REGISTRATION OPEN & PROGRAM ANNOUNCED!

The national transport regulators are due to come into effect, the Government’s port and freight strategies should be rolled out and a federal election looms. Movement can also be expected on road pricing, major intermodal facilities and the ownership structure of key ports. And the shipping reforms and Road Safety Remuneration Tribunal will be fully operational and open to greater levels of industry scrutiny.

And a national approach to Chain of Responsibility will also come into effect which will have wide reaching ramifications for the heavy vehicle industry.

The ALC Forum 2013 will review what happened in 2012 and what still needs to be done to tackle these critical issues head on to enhance productivity, efficiency and safety in the freight logistics sector.
ALC has welcomed many of the proposals contained in the Draft NSW Long Term Transport Master Plan, but has urged the NSW Government to go one step further and provide industry with detail on when key freight logistics projects will go ahead and how they will be financed and funded.

In its submission on the Draft Masterplan, ALC said the Draft Plan’s recommendation to identify and preserve key freight corridors is an important step to improve supply chain efficiency. But the challenge will be building on these recommendations and putting in place the necessary frameworks to ensure they come to fruition.

ALC also calls on the NSW Government to make clear in the Final Master Plan:

- what Transport for NSW will do to facilitate greater access to key freight routes
- that the revenue recovered from a proposed trial of High Performance Vehicles on the Hume Highway will not be directed into consolidated revenue for general purposes
- how the proposed WestConnex project will connect with Sydney Airport and Port Botany

In its submission, ALC notes the NSW Government is expected to release a fully funded five-year infrastructure plan in early 2013, which ALC believes should contain funding for necessary works outlined in the Masterplan, such as the Port Botany – Sydney Airports Pinch Points Program.

To view the ALC submission
CLICK HERE

NSW State Infrastructure Strategy

In its first State Infrastructure Strategy, Infrastructure NSW has recommended to the NSW Government the preservation of key road and rail corridors, including the Western Sydney Freight Line and the Outer Western Sydney Orbital.

ALC described the recommendation as “solid long-term thinking” and encouraged the NSW Government to take this key recommendation forward.

The State Infrastructure Strategy also acknowledged NSW’s freight challenges are acute in rural and regional Australia, and recommended upgrading under-strength bridges, providing rail passing loops and better maintaining key road and rail lines.

ALC particularly endorses the proposal to address high priority pinch points in rural and regional areas to overcome current constraints imposed on road and rail lines.

The Strategy’s headline was the WestConnex proposal which involves the extension of the M4 to Sydney Airport and the duplication the M5 East.

ALC looks forward to this proposal undergoing further examination to assess the impact it will have on supply chain efficiency.

To view the strategy
CLICK HERE
Funding infrastructure through asset sales

ALC has agreed with the central point made in a recent Infrastructure Australia report that there are many assets that could be transferred to the private sector that could fund substantial new logistics infrastructure.

Infrastructure Australia’s report - *Australia’s Public Infrastructure - Part of the Answer to Removing Infrastructure Deficit* - highlights how funding new logistics infrastructure relies heavily on investment from public sector budgets.

It is increasingly clear that these budgets are coming under greater pressure and that new funding models need to be considered by governments to help meet Australia’s infrastructure deficit.

The sale of public assets to the private sector, such as electricity and water assets, is one of these funding models, and could be critical to boosting national productivity.

To view the report,

[Click here](#)

Review of Local Government red tape in NSW

The NSW Government has asked the Independent Pricing and Regulatory Tribunal to undertake a review into local government compliance and enforcement practices that are imposing unnecessary costs on business.

ALC used its submission to the review to argue that council decision making in respect to heavy vehicle access is having an adverse impact on supply chain efficiency.

To illustrate, the ALC submission included a case study from ALC member Toll that discusses how Bankstown Council’s refusal to allow HML access in its jurisdiction contributed to Toll’s decision to close its intermodal facility at Villawood.

ALC suggests councils should be under an obligation to publish statements of reasons explaining why they make particular decisions in relation to heavy vehicle access.

To view the ALC submission,

[Click here](#)

Australia in the Asian Century White Paper

The Federal Government’s Asian White Paper has identified infrastructure and regulatory reform as two important pillars to support future productivity growth in Australia, and a deeper economic engagement with Asia.

ALC agrees with this assessment, particularly in the context of Australia’s important role in global supply chains.

One of the paper’s high level objectives is for the development of a ‘systematic national framework for developing, financing and maintaining nationally significant infrastructure.’

ALC presumes the Government is referring to the National Land Freight Strategy, the Update of which was recently released. If this is correct, ALC believes it is imperative that the document is finalised so many of the productivity benefits that it promises can be unlocked, such as improved access to key freight routes.

To view the white paper,

[Click here](#)
**Stevedoring Code of Practice**

ALC has responded to the Maritime Union of Australia’s claims regarding the draft Stevedoring Code of Practice, arguing the Code needs to meet the general principles of best practice design of regulation before it can be put in place.

ALC members recognise the benefits of establishing a Code of Practice that is workable, practical and one that enhances safety outcomes.

This commitment is underscored by industry members’ ongoing involvement in a specialist advisory group that has been established by Safe Work Australia to develop the draft code for ministers’ consideration.

There is no evidence that a highly prescriptive code will drive the safety outcomes being sought and ensure safety risks are as low as reasonably practicable.

The draft Code clearly requires further work before it is released for public comment.

**Inaugural Pallet Process Standards Working Group Meeting**

A wide range of industry stakeholders gathered in Melbourne in late October to attend the first ALC Pallet Process Standards Working Group Meeting.

ALC established the national pallet working group with the aim of delivering a more national approach to the development, promotion and implementation of best practice for the use of pallets in Australia.

The meeting made good progress discussing a range of issues in relation to pallets, and agreed to hold another meeting in early December.

Topics covered at the meeting included a review of the Terms of Reference and a discussion about the Victorian draft code of practice.

**Australian Work Health and Safety Strategy**

The Minister for Employment and Workplace Relations, Bill Shorten has launched the *Australian Work Health and Safety Strategy 2012-2022*.

It is aimed at governments, work health and safety regulators industry, unions and other organisations that influence work health and safety and workplaces across Australia.

The Strategy consists of four outcomes and seven action areas to “achieve the vision of healthy, safe and productive working lives.”

One of these action areas is ‘Supply Chains and Networks’, with the strategic outcomes stated as being:

» Supply chain and network participants understand their cumulative impact and actively improve the health and safety of the supply chain.

» Commercial relationships within supply chains and networks are used to improve work health and safety.

» Industry leaders champion work health and safety in supply chains and networks.

**To view the Strategy,**

CLICK HERE
New guide to the Work Health and Safety Act


The Guide provides an overview of the Work Health and Safety Act and is designed to help people understand their health and safety duties and rights at work. The document is now available on Safe Work Australia’s website.

To view the document CLICK HERE

NTC Higher Productivity Vehicle scheme

The National Transport Commission has announced a scheme to encourage the take-up of safe higher-productivity heavy vehicles has reached a significant milestone, with the approval of over 1000 heavy vehicle combinations since its inception.

NTC said that the continuing success of the scheme is vital to boosting not only the performance of Australia’s freight transport, but of the entire transport system.

The PBS scheme is due to become part of the new Heavy Vehicle National Law in 2013. It has been in place Australia since 2007, with PBS vehicles designed to perform their tasks as productively, safely and as sustainably as possible. PBS trucks are tested against 16 stringent safety standards and four infrastructure standards to ensure that they can start, stop, turn and travel safely.

Revised inspection arrangements in air cargo pathway

The Department of Agriculture, Fisheries and Forestry (DAFF) has announced it will be implementing revised inspection procedures in air cargo pathway.

Following a risk analysis, the department has decided it will cease inspecting 20 percent of air containers and reportable documents and 100 percent of transhipped high risk movements.

From 1 November 2012, these activities will be undertaken by DAFF as part of its air cargo general and targeted surveillance.

DAFF stated that the changes in this approach will provide greater flexibility in managing biosecurity risks associated with air cargo.

It also stated that air cargo surveillance activities are not expected to disrupt business operations. However, normal biosecurity management strategies will apply if any biosecurity risk material is detected or if non-conformities are observed.

For further information visit http://www.daff.gov.au/aqis/import
Legislation has passed the lower house of the NSW Parliament to enable the 99-year lease of state-owned port assets Port Botany and Port Kembla.

Proceeds from the transaction will be invested in the NSW Government infrastructure fund, Restart NSW, with 30 percent of funds reserved for projects in regional areas.

“A private lessee will bring a range of benefits to the ports including greater access to capital, along with specialist infrastructure expertise to support the development and growth of the ports facilities and services in the future,” Treasurer Mike Baird said.

“At the same time, the Government will retain regulatory oversight of key areas and port matters including a price monitoring regime established to ensure transparency on pricing outcomes, similar to other major Australian capital city ports.”

Under the proposed transaction, the NSW Government is offering a 99-year lease of Port Botany and Port Kembla either as separate entities or together. The Port Botany lease will encompass the Port Botany precinct and the Enfield and Cooks River logistics sites.

The Port of Melbourne Corporation’s (PoMC) 2011-12 Annual Report, tabled in the Victorian Parliament last month, sets a “solid foundation” for the $1.6 billion Port Capacity Project according to Minister for Ports Denis Napthine.

The Port of Melbourne recorded increases across all cargo types in 2011-12 leading to a record overall throughput of 87 million revenue tonnes, including an increase to 2.58 million TEU container movements.

The PoMC annual report shows a reported recorded an underlying profit of $59.2 million in 2011-12.

Dr Napthine commented on the PoMC profit stating that the result will serve as a solid foundation for the Port’s expansion plans.

“This result will serve as a solid foundation as we embark on an exciting period of growth with the $1.6 billion Port Capacity Project which will see increased container capacity at the existing Swanson Dock terminals, the construction of new state-of-the-art container and automotive terminals at Webb Dock, and a new onsite Pre-Delivery Inspection Hub for all export and import motor vehicles,” he said.

In related news, PoMC Chief Executive Officer, Stephen Bradford, has invited expressions of interest from suitably qualified and experienced organisations for works associated with the Port Capacity Project.

Invitations are being sought in connection with the design and construction of the project’s maritime and road connection components.

“Both these tenders are significant, large scale packages and will require the highest level of professional expertise, experience and resources in order to satisfy the stringent demands of the $1.6 billion Port Capacity Project,” Mr Bradford said.

To view the Annual Report

CLICK HERE
Minister inspects plans for the West Swanson Intermodal Site along with DP World Melbourne GM Andrew Jena and DP World Australia Managing Director Ganesh Raj

Minister Denis Napthine launches DP World’s new straddle carriers at port

Victorian Minister for Ports Denis Napthine recently visited the premises of ALC Member DP World to launch the company’s investment in new equipment that will assist in boosting capacity and productivity at their Port of Melbourne container terminal.

DP World has invested in eight new straddles that will boost capacity and productivity at its Port of Melbourne container terminal.

Dr Napthine said the investment was a vote of confidence in the health of the Victorian economy.

Assembled on site at West Swanson Terminal, the straddle carriers also feature advanced power management software which helps reduce fuel consumption; analysis reports show 11 per cent less fuel per operating hour is used when compared to the previous diesel-hydraulic fleet.

DP World Australia Managing Director Ganesh Raj said the new equipment will help deliver twin benefits of reducing DP World’s carbon emissions as well as improving efficiency and productivity at Australia’s largest container port.

DP World also launched a three month trial of Caltex B20 Bio-Diesel Fuel into the eight new straddle carriers with a view of transforming Australia’s largest container port into a dynamic and environmentally sustainable operation.

Tasmania joins National Rail Safety System

Last month, Tasmania’s Parliament became the second jurisdiction (along with South Australia) to pass legislation to establish Australia’s first National Rail Safety Regulator.

From January 2013, the nation’s railways will come under a single safety regulator with one set of national regulations, reducing 23 state-based maritime, rail and heavy vehicles regulators to just three.

The national rail safety regulator, headed up by Rob Andrews, will be based in Adelaide and have oversight of the country’s urban passenger rail networks and interstate freight operations.

ALC’s Managing Director Michael Kilgariff earlier this year wrote to all federal, state and territory politicians seeking their support for national transport laws that will be presented to their parliaments.

The remaining states and territories are expected to deliver legislation through their parliaments to join the new national system in the coming months.
Transport Minister Adam Giles has moved the Rail Safety Bill 2012 in the Northern Territory Parliament stating that as of 20 January 2013, rail regulation in the Northern Territory will be undertaken by the National Rail Regulator.

“By having a single National Regulator operators will no longer have to apply for accreditation in each jurisdiction in which they operate,” Mr Giles said.

“This is great news for Territory rail operators as they move to a national regulator. It will deliver savings both in terms of time and money, through improved productivity.”

Mr Giles said the Northern Territory will retain its safety policy role and will, through representation on national committees, ensure that the needs of the Territory rail industry and Territorians are maintained.


ALC Associate Member the Australian Food and Grocery Council (AFGC) recently released its fourth annual economic snapshot State of the Industry 2012, which underlines the difficult economic challenges facing the Australian food and grocery manufacturing sector.

The AFGC’s State of the Industry 2012 based on the most recent ABS data found that the total industry output contracted by 4.5 per cent in 2010-11 while total industry employment declined by 2.2 per cent or almost 7,000 people in the 2011-12 financial year.

AFGC CEO, Mr Gary Dawson said that that the food and grocery manufacturing sector’s contraction reflected the cumulative impact of both economy-wide and sector-specific factors.

“Input costs are rising on everything from commodities to labour to energy, and retail price deflation continues to cut margins, placing the sector under increasing pressure” said Mr Dawson.

To view the full State of the Industry 2012: Essential Facts and Figures

CLICK HERE

AFGC CHEP Retail Index

The outlook for Christmas retail trade in Australia appears modest, with the AFGC CHEP Retail Index predicting year-on-year growth of 2.9 per cent for the December quarter, below the 10-year average of 5 per cent and softer than year-on-year growth in the September quarter of 3.7 per cent.

The AFGC CHEP Retail Index is a strong predictor of trend growth in nominal retail spending and provides a unique insight into the performance of the Australian retail market.

While retail trade turnover will experience a slight contraction in from $21.56 billion in September to $21.52 billion in November, lower interest rates may help to provide support to retail spending.

The AFGC CHEP Retail Index is a collaborative project between the AFGC and CHEP Australia, powered by Deloitte. It uses CHEP transactional data based on pallet movements and is a lead indicator of ABS Retail Trade data.

CLICK HERE to access the index

The next AFGC CHEP Retail Index will be released in late January 2013. To read the Index and access more background information, visit www.afgc.org.au or www.chep.com.
**GLOBAL NEWS**

**Maritime Emissions Briefing**

The Global Shippers' Forum has published the second edition of its Maritime Emissions Briefing Note.

GSF’s Maritime Briefing Note provides a comprehensive assessment of the various emissions schemes and proposals tabled by governments, the shipping industry and other non-governmental organisations currently under consideration by the International Maritime Organization. The Briefing Note also considers the main industry-based schemes, including GSF’s own maritime supply chain decarbonisation initiative.

Chris Welsh, Secretary General of the GSF said: “The Briefing Note underscores the fact that shippers are increasingly driving environmental improvement, not only through collaboration with partners in the supply chain, but through competition based on carriers’ environmental performance.”

To view the briefing note, [CLICK HERE](#).

**ITF Releases the Latest ‘Statistics Brief’**

The International Transport Forum (ITF) has released its October Statistics Brief, which looks at the latest data on global freight. The figures highlight, among other things, the overall uncertainty and continued stagnation in global freight tonnes.

The Statistics Brief, published about eight times a year, covers global trade and freight, infrastructure investment and maintenance, Transport CO2 emissions, Road Safety and General trends in transport.

The Statistics Brief is intended for policy-makers, business executives, journalists, consultants and all transport experts with a need for easily accessible and reliable information.

To view the October Statistics Brief, [CLICK HERE](#).

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"Coates Hire is pleased to be a member of the Australian Logistics Council. Our membership is part of our commitment to safety and best practice in our transport and logistics operations and we are confident that we will have a long and mutually beneficial relationship with the ALC," said Phillip Parsons, National Transport Manager.

Find out more about Coates Hire at www.coateshire.com.au/home

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AIRFREIGHT STATS CHARTS

UPDATE - NOVEMBER 2012
ALC ACTIVITY

BOARDROOM LUNCH IN VICTORIA
The Hon. Terry Mulder MP, Minister for Public Transport and Roads, Tuesday 16 October Melbourne

SUBMISSIONS
IPART Local Government Compliance and Enforcement Issues Paper - 29 October 2012
Draft NSW Long Term Transport Masterplan – 26 October 2012
Road Safety Remuneration Tribunal Annual Work Program – 3 October 2012

PRESS RELEASES
Stevedoring Code of Practice Needs to Reflect Best Practice – 30 October 2012
Improving National Productivity Through the Sale of Public Assets, 18 October 2012
ALC Welcomes Long Term Thinking on Freight in NSW Infrastructure Strategy – 3 October 2012

MEDIA MENTIONS
Business slams port safety push by unions – The Australian, 31 October 2012
Infrastructure key to Asia Pacific potential – Supply Chain Review, 29 October 2012
ALC backs privatisation to fund infrastructure – Supply Chain Review, 19 October 2012
Industry wants access to truckie records – ninemsn 16 October 2012

UPCOMING EVENTS
ALC Council and Board meeting, 22 November 2012, Melbourne (venue to be confirmed).
WA Boardroom Lunch with the Hon Mark McGowan MLA, 21 November 2012, Perth

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