



AUSTRALIAN LOGISTICS COUNCIL

Speech for Don Telford, Chairman, Australian Logistics Council

**Launch *'The Economic Significance of the Australian Logistics Industry'*
Monday 14 July 2014**

At the Australian Logistics Industry's Parliamentary Cocktail Party

Good evening and welcome to our many distinguished guests, including Members of Parliament and Senators.

It is my pleasure to welcome you to the Mural Hall for the Australian Logistics Industry's Parliamentary Cocktail Party.

It is great to see such a wide cross section of the logistics industry here this evening.

I am also pleased to see so many of our federal politicians from both sides of parliament who have taken time out of their busy schedules to join with us here today.

Thank you all for your attendance, particularly those of you who have been up since 5a.m. cheering on your team in the Football World Cup!

Something that struck me when I was watching this morning's game was the enormous logistical challenge organisers faced in coordinating so many moving parts into a successful final product.

It is a good metaphor for the logistics industry.

The customers of this morning's game – you and I – aren't terribly interested in how the pieces of the world cup puzzle fit together.

Our focus is on the final product – a football match – getting to us on time and in a high quality state.

But in reality, many parts of a long and sophisticated supply chain had to work furiously in the background to make it all happen.

Everyone in the supply chain needed to work in unison, often across international borders, to ensure a product was delivered successfully.

If only our industry had the luxury of four years between every major event!

Ladies and gentlemen, ALC is the peak industry body for the Australian logistics industry.

This includes major Australian logistics customers, providers, infrastructure owners and suppliers.

We are the leader in the national debate on critical issues affecting the logistics industry.

We are also focussed on ensuring all levels of government understand the economic importance of efficient supply chains, and the contribution our sector makes to the Australian economy.

That is what tonight is all about - bringing industry and government together in Canberra to discuss the role we play in supporting and strengthening Australia's economy.

As an industry, we are keen to establish a dialogue with government to focus on implementing policies that keep our sector, and our economy, strong.

Ours is an industry which is often in the background, not generating the same sort of headlines like many other sectors of the economy.

We often hear how much the services sector; the mining sector; the retail, manufacturing and agriculture sectors contribute to the Australian economy.

The same probably cannot be said for the logistics sector.

That is, until today.

Over the last few months ALC has been working with ACIL Allen to quantify the true contribution of the logistics industry to the Australian economy.

The report confirms what many of us in the industry know...that the logistics industry is the backbone of the Australian economy.

The report confirms that the logistics industry:

- **Represents 8.6 percent** of Gross Domestic Product
- Adds more than **\$130 billion** to the Australian Economy
- Employs **1.2 million** Australians

The report also tells us that for every **1 percent** increase in efficiency in the sector, GDP will be boosted by **\$2 billion**.

This is a landmark report for the Australian Logistics industry, and I thank ACIL Allen for the thorough research they undertook to come up with its findings.

Chris Summerfield from ACIL Allen will talk a bit more about the report's findings shortly.

This report will serve as the basis for ALC's advocacy efforts for a number of years to come.

I trust it will also be a useful resource for every federal politician who needs authoritative information on the logistics industry.

And importantly, this report will also provide the foundation upon which ministers and their public service advisers can base future decisions on.

Decisions, I hope, that will support industry's efforts to improve supply chain efficiency so benefits can be felt by all Australians.

Please take a copy of the report with you, and enjoy this short video about the logistics industry, its contribution to the Australian economy, and how ALC is working on your behalf to support more efficient supply chains.

It is my pleasure to officially launch the report '*The Economic Significance of the Australian Logistics Industry*'.

Thank you.