

# 2022 SUPPLY CHAIN PRIORITIES

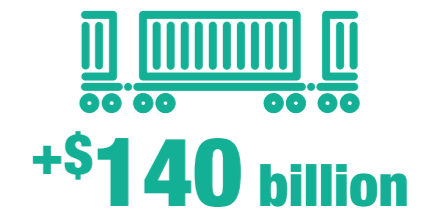
## ABOUT the Australian Logistics Council

ALC is the peak national body representing customers, providers, and infrastructure owners across the freight and logistics supply chain. ALC's focus is on delivering enhanced end-to-end supply chain safety, productivity, efficiency and sustainability for our members, spanning road, rail, sea, air, and freight terminals. We work with governments at all levels to ensure they consider the needs of the sector in their investment and policy decisions. We work with our members and the broader industry to improve safety outcomes and promote best practice learnings and knowledge.

## FAST FACTS: Freight and Logistics Supply Chain



- ▶ The industry employs over 575,000 people across its major subsectors of road transport, logistics, warehousing, and stevedoring. Including the workforce engaged in transport-related activities in other sectors of the economy, the total number of persons employed in transport activities is around 1.2 million.



- ▶ Each year our infrastructure operators, transport companies and logistics experts deliver about four billion tonnes of goods across Australia – that is 163 tonnes of freight for every person. During 2020 the transport and logistics industry contributed more than \$140 billion to Australia's economy.



- ▶ Australia's urban freight task alone is expected to grow by 60 per cent, over the 20 years from 2020 to 2040.



- ▶ From 2020-25 an extra 2.4 million sq. metres of dedicated logistics space will be required just to support the growth in e-commerce.

## SUPPLY CHAIN Context

ALC is calling on political candidates to commit to the implementation of a more efficient and sustainable supply chain in the face of Australia's growing freight task, changing consumer preferences, climate risk and global challenges. Throughout the COVID pandemic, in the face of bushfires and floods, rising fuel prices and critical shortages of labour and other inputs – Australia's freight and logistics sector has kept the nation supplied, fed, and fuelled.



**ALC** AUSTRALIAN  
LOGISTICS  
COUNCIL  
SUPPLY CHAIN EFFICIENCY AND SAFETY



# ALC 2022 Federal Election Priorities

## MOMENTUM for modal shift

Commit to prioritising investment and policies to achieve a modal shift from road to rail, which is critical to the long-term sustainability and viability of the end-to-end supply chain, as well as easing road congestion, which was estimated to cost the Australian economy \$19.0 billion in 2016 alone.

- ▶ A coordinated and centralised approach to freight intermodals that ensures access for multiple supply chain participants, to help drive increased efficiency and productivity across all freight modes but most importantly in rail freight.
- ▶ Recognise the importance of modal shift in changing the way freight is moved in Australia, including doubling the volume of freight transported on rail between Melbourne and Brisbane from 30 per cent to 62 per cent by 2050 and maximising the efficiency gains from the operation of Inland Rail.
- ▶ Work collaboratively and expeditiously with all levels of government to ensure the \$14.5 billion Inland Rail Project connects efficiently with ports in Melbourne and Brisbane.

## BRING FORWARD the review of the National Freight and Supply Chain Strategy (NFSCS)

- ▶ Fast track the review of NFSCS, currently scheduled for 2024 to 2023 to integrate the lessons learned from the pandemic, extreme weather events, and global supply chain disruptions.
- ▶ Through the NFSCS, commit to a truly multimodal freight and logistics supply chain, including the need for modal shift and the criticality of air freight to the national economy.
- ▶ Identify a nationally agreed approach to building infrastructure that meets the future freight and logistics growth and enhances network resilience. For example, constructing key freight infrastructure such as the east-west rail line to a higher standard to withstand extreme weather events.
- ▶ Invest in sovereign capability and domestic manufacturing, to remove single points of frailty and potential failure for key freight resources, for example AdBlue, fuel, and pallets.

## A SUSTAINABLE SUPPLY CHAIN to help reduce emissions

Allocate additional funding through the Australian Renewable Energy Agency (ARENA) and the Clean Energy Finance Corporation (CEFC) to build on their existing body of work and help drive the transition to low emission operations in the freight and logistics sector, focusing on:

- ▶ Demonstrating the benefits of investing in hydrogen and other low emission fuels in reducing heavy transport emissions, through a targeted campaign aimed at small-medium sized operators.
- ▶ Test, trial and invest in refuelling infrastructure for zero-emissions vehicles, to encourage uptake in the freight and logistics sector.
- ▶ Support Australian businesses to transition to clean energy, with on-site recharging facilities in freight and logistics hubs, such as warehouses and distribution centres.

## SKILLS for the Future

The Australian economy faces an ongoing labour force crunch, exacerbated by COVID-19 border restrictions and increasing demand for particular skillsets.

- ▶ Address immediate skill requirements by increasing the cap on skilled migration and including freight and logistics workers on the Priority Migration Skilled Occupation List.
- ▶ Introduce a 'semi-skilled' category, to enable internationally acquired training to be recognised in the Australian freight and logistics sector, to address gaps in accreditation and qualification.
- ▶ Expand the Australian Apprenticeship Priority List to include freight and logistics occupations and increase gender diversity in the workforce.
- ▶ Provide funding for the freight and logistics workforce to upskill and obtain digital skills qualifications to tackle the growing demand for digital skills.

## IMPLEMENT a National Road User Charge

Australia has a national economy. Our roads connect our nation and we need to put in place a fit-for-purpose and nationally consistent RUC for all vehicle types. RUC will reduce jurisdictional regulatory tape, provide a more consistent cost basis for businesses to plan, encourage the adoption of zero emission vehicles, assist to balance the playing field for freight mode choices to optimise supply chain efficiencies and build and maintain safer, more efficient road networks. Through the National Cabinet process:

- ▶ Commence a process for the adoption of a national RUC, to apply across all jurisdictions and all classes of vehicles to ensure uniformity for industry and the economy.
- ▶ Ensure the design of any RUC is based on a model of distance-based and location charging, to provide a sustainable stream of targeted investment in transport infrastructure and clarity for operators in the freight and logistics supply chain.
- ▶ Phase out jurisdictional electric vehicle charging schemes that would duplicate a national RUC, to remove confusion, provide a consistent cost basis for businesses to plan, encourage the adoption of zero emission vehicles, and assist to balance the playing field for freight mode choices to optimise supply chain efficiencies.



@AustLogistics



[linkedin.com/company/australian-logistics-council](https://www.linkedin.com/company/australian-logistics-council)

Suite 17B, National Press Club Building  
16 National Circuit, BARTON, ACT 2611

P: +61 2 6273 0755  
E: [policy@austlogistics.com.au](mailto:policy@austlogistics.com.au)  
[www.austlogistics.com.au](http://www.austlogistics.com.au)

© Australian Logistics Council