

26 February 2016

Infrastructure Victoria,
Level 34, 121 Exhibition St,
Melbourne VIC 3000

Infrastructure Victoria – Laying the Foundations

Dear Sir,

The Australian Logistics Council (**ALC**) welcomes the opportunity to contribute to Infrastructure Victoria's *Laying the Foundations* process. By way of background, ALC represents the major Australian logistics supply chain customers, providers, infrastructure owners and suppliers.

ALC advocates for more efficient and productive supply chains to support both economic and employment growth. Research undertaken by ALC confirms the importance of the logistics sector as a major employer, with the industry employing approximately 1.2 million Australians.¹

Page 54 of *Laying the Foundations* discussion paper discusses *Draft Needs 5 – Lift Victoria's Productivity*.

It notes that freight volumes are expected to increase markedly in Victoria over the next 30 years.

It also identifies the role of the Port of Melbourne in the movement of freight in the State.

ALC also agrees with the observation made on page 22 of the Discussion Paper that land use planning and infrastructure development should be closely aligned.

However, ALC has been increasingly concerned that the needs of freight may not be properly reflected in planning documents currently being prepared in Victoria.

Attached to this letter is the ALC submission made to the Plan Melbourne Refresh process. ALC reiterates the concerns expressed in that document.

Infrastructure Australia (**IA**) has now released the *Australian Infrastructure Plan*.²

One of the key recommendations was the development of a National Freight and Supply Chain Strategy.³

This proposes that IA, in partnership with governments and the private sector, will work together to map nationally significant supply chains and their access to supporting

¹ Australian Logistics Council (2015): *The Economic Significance of the Logistics Industry*

² <http://infrastructureaustralia.gov.au/policy-publications/publications/Australian-Infrastructure-Plan.aspx>

³ Recommendation 3.4

infrastructure and gateways, evaluate the adequacy of the institutional framework supporting freight networks and recommend reforms and investments that will move the efficient movement of freight.

Another important IA priority reflected in the Plan was for governments to establish effective corridor protection mechanisms to ensure the timely preservation of surface, subterranean and air corridors and strategic sites for future infrastructure priorities.⁴

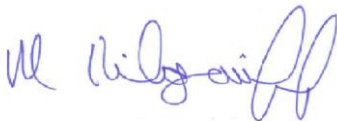
ALC agrees with these recommendations and that specialist infrastructure advisers to government should act in a way that brings them to fruition.

Therefore, so as to ensure the freight needs of Victoria are met over the next 30 years, ALC recommends Infrastructure Victoria:

1. work with IA in the development of the National Freight and Supply Chain Strategy, should the relevant recommendation be accepted by government;
2. review the Victorian Freight Strategy to determine those projects that should be given priority in development;
3. assist councils and other authorities in ensuring that employment lands and transport corridors are preserved to meet the increasing freight needs are met;
4. assist the Government in correcting the planning and interconnectivity issues that impact on the efficient operation of the Port of Melbourne identified in the Legislative Council Select Committee report discussed in the attached ALC submission to the Plan Melbourne Refresh process; and
5. prioritise a review for the need of a second container port for Victoria, as proposed by the Government during debate for the legislation facilitating the leasing of the Port of Melbourne.

Should you wish to discuss this matter further, please contact me on 0418 627 995 or at Michael.kilgariff@austlogistics.com.au

Yours sincerely



MICHAEL KILGARIFF
Managing Director

⁴ Recommendation 9.4