26 October 2017

Data Collection and Dissemination Plan
Bureau for Infrastructure, Transport and Regional Economics
Department of Infrastructure and Regional Development
GPO Box 594
CANBERRA ACT 2601

Via Email: BITRE@infrastructure.gov.au

RE: NATIONAL INFRASTRUCTURE DATA COLLECTION AND DISSEMINATION PLAN

The Australian Logistics Council (**ALC**) is pleased to make a submission on this Consultation Draft.

ALC is the peak national body representing the major and national companies participating in the freight logistics industry, with a focus on national supply chain efficiency and safety.

The availability of comprehensive and reliable data is essential to improved productivity outcomes. Accordingly, ALC and its members are committed to the successful development of the Plan, as illustrated by the fact that two ALC members are part of the Steering Group guiding the development of the Plan.

Our comments on this Consultation Draft are therefore specifically connected to the collection and dissemination of data in the freight logistics industry.

National Freight and Supply Chain Strategy

ALC strongly supports the increased use of data to better inform infrastructure investments and to improve regulatory compliance in the freight logistics industry.

In *Freight Doesn't Vote* – ALC's submission to the *Inquiry into National Freight and Supply Chain Priorities*, ALC made the following recommendations:

- The Bureau of Infrastructure, Transport and Regional Economics (**BITRE**) should continue to compile their data on freight movements in Australia (**Recommendation 11**);

- The Australian Government, through BITRE, should compile a National Freight Performance Framework, including indicators such as road access and land use/encroachment (**Recommendation 12**); and

- The Australian Bureau of Statistics (**ABS**) should develop a Transport Satellite Account (**Recommendation 13**).

These recommendations are all endorsed as suggested opportunities in the Consultation Draft.

www.austlogistics.com.au

PO Box 20, Deakin West ACT 2600
Suite 17B, 16 National Circuit, Barton ACT 2600
T: +61 (0)2 6273 0755 E: admin@austlogistics.com.au

Freight Doesn't Vote **Recommendation**	**Opportunity Identified in the Consultation Draft**
BITRE should continue to compile their data on freight movements in Australia	Enduring Question 5.2a Enduring Question 5.3
BITRE should compile a National Freight Performance Framework	Enduring Question 2.3
The ABS should develop a Transport Satellite Account	Enduring Question 4.3

National Freight Performance Framework

ALC supports the creation of a National Freight Performance Framework.

We believe this Framework will help to identify issues, constraints and inefficiencies that hamper the efficient movement of freight.

Identifying these issues will assist policy-makers in improving and promoting greater safety and efficiency of Australia's supply chains.

ALC further recommends that the structure of any National Freight Performance Framework contain mode-specific freight indicators (such as freight rates), as well as examining individual supply chains for significant commodities, such as grain and export beef.

Land Use/Encroachment Indicator

Throughout 2017, ALC has undertaken extensive consultations with industry regarding the contents of the National Freight and Supply Chain Strategy.

These consultations included ALC Forum, held in Melbourne in March 2017, ALC Dialogue with the Department of Infrastructure and Regional Development, held in May 2017, and industry consultations in Brisbane, Melbourne, Perth and Sydney held in July 2017.

At each of these events, the single-biggest issue raised was urban encroachment. A land use/encroachment indicator, as proposed in the Consultation Draft, is therefore supported by ALC.

The proposal contained in the Consultation Draft is for the land use/encroachment indicator to measure:

1. The population and jobs density within a set distance of a port precinct or intermodal terminal site; and

2. Congestion on roads approaching ports.

By measuring the correlation between population and job density and their distance from a port precinct or intermodal terminal site, ALC hopes this indicator could equip policy-makers with a valuable tool to demonstrate the deleterious impact that urban encroachment is having on the efficiency of Australia's supply chains.

A positive correlation between urban encroachment and the efficiency of Australia's supply chains (eg. a finding that urban encroachment on ports is decreasing the efficiency of ports through curfews or other restrictions) would also be helpful in encouraging state and territory governments to amend their planning regimes to prohibit residential and commercial developments within a set distance from fixed logistics infrastructure.

ALC also further encourages the expansion of this indicator to include rail lines. Similar to ports and intermodal sites, freight rail lines have also recently faced the challenges of urban encroachment.

CBD Freight Delivery

The growth in CBD traffic congestion – stemming from significant residential and employment growth in inner-city areas – presents significant challenges for freight operators undertaking deliveries in CBD areas.

This is why the issue of CBD freight delivery has gained prominence in ALC consultations this year.

The challenges with CBD freight delivery are much entwined with a common issue raised by businesses and consumers dependent on Australia's supply chains – first and last mile issues.

The proposed road access indicators, percentage of network accessible to each vehicle class, and percentage of producers within a set distance of network for each class should assist in identifying first mile and last mile issues in regional and rural Australia.

ALC recommends that, as part of the Framework, BITRE should be tasked with examining ways to provide an indicator of CBD freight delivery. This indicator could, for example, looking at the number of loading zones in a Local Government Area (**LGA**) or the number of loading zones impacted by a curfew in an LGA.

Further Opportunities

In addition to the recommendations from *Freight Doesn't Vote*, ALC also supports the development of:

- A national infrastructure database, similar to the Heavy Vehicle Infrastructure Asset Registers;
- Independent post completion (ex-post) evaluations of cost-benefit analysis for infrastructure projects (with findings made publicly available); and
- Better understanding the movement of freight to and from ports with a data sharing arrangement between the National Transport Commission, the Department of Immigration and Border Protection and BITRE.

Infrastructure Investment

ALC is supportive of the road freight telematics pilot study (Case Study 3.3).

We look forward to seeing how this project develops, as data collection becomes more routine.

Lead Data

ALC encourages BITRE to examine ways to capture lead indicator data.

For example, the data listed in Table 2.3 and Table 2.4 is mostly lag-based data.

Data that can predict freight demand or the future trends in the freight logistics industry should therefore be identified and collated by BITRE.

Regulatory Compliance

ALC has long argued that it should be mandatory for heavy vehicles (as defined by the Heavy Vehicle National Law) to collect and retain data relating to speed and fatigue offences so it is available for use by businesses and enforcement agencies.

To this end ALC believes that the Heavy Vehicle National Law (**HVNL**) should be amended to require heavy vehicle operators to capture and retain data recording:

- the movement of motor vehicles;
- the longitude, latitude, speed, data and time of circumstances of speeding events; and
- engine on/off data.

In May 2017 the International Transport Forum released a report entitled *Data-led Governance of Road Freight* Transport. The report found that there was 'clear potential for data-driven approaches to regulating and enforcing road freight transport'.[1] Broadly, the report identifies three regulatory areas – road access, driver compliance and vehicle condition – which can be improved by greater use of data.

Whilst outside the scope of this paper, ALC is keen to promote the use of data to better ensure compliance with heavy vehicle regulations, in particular the HVNL.

Road Pricing Reform

The issue of telematics is also directly relevant to road funding in Australia. The introduction of mandatory telematics would help the Commonwealth Government more fairly devise a new road pricing regime which incorporates a forward looking investment and maintenance plan. As ALC said in *Freight Doesn't Vote*:

> *It is now clear that fuel excise is no longer raising sufficient revenue to support the road network of a 21st century economy. In ALC's experience, this is the widespread view across industry and government.*[2]

In ALC's view, revenue raised from any new road pricing model should be conditioned for road infrastructure developments, upgrades and maintenance.

---

[1] International Transport Forum, *Data led Governance of Road Freight Transport* (2017): 6. https://www.itf-oecd.org/sites/default/files/docs/data-led-governance-road-freight-transport.pdf

[2] See http://www.austlogistics.com.au/wp-content/uploads/2013/07/National-Freight-Strategy-Submission.pdf

Greater collection and dissemination of data can therefore not only provide a fairer and more accurate cost base for road pricing, but also prioritise investments based on congestion, need and wear and tear.

This view is supported by the Productivity Commission in its October 2017 five year productivity review entitled *Shifting the Dial.*

In one of its supporting papers, the Commission said:

> *As noted, current road related fees and charges should, with the introduction of a user charge, be phased out.*
>
> *Available technologies make it possible to determine when a vehicle moves between different parts of the network, and thus when road user charges should apply, and when they should not. This is an important consideration for three reasons.*
>
> *First, on privately owned and operated toll roads, users will still need to pay the prevailing toll, but should not be required to pay any additional road user charge above that. Second, technologies will enable charges to be levied only for those components of the network that governments determine should attract a charge; that is, excluding those components of the network subject to community service obligations. Third, they enable revenues to be attributed to the jurisdiction in which the travel took place.*[3]

It may well be that the work currently being undertaken with regards to assessing the integrity of data received from various on-board diagnostic units (**OBDs**) will go some way towards giving governments confidence to mandate heavy vehicles to carry units designed to collect data for regulatory purposes.

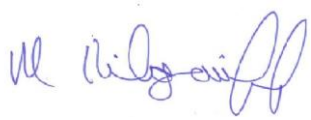
Concluding Comments

Thank you for the opportunity to provide comment in relation to this Consultation Draft.

ALC believes that this is an important step in making more effective use of data collection opportunities to drive enhanced economic performance and improve supply chain efficiency.

Should you have any queries, I am available at michael.kilgariff@austlogistics.com.au or on 0418 627 995.

Yours sincerely



MICHAEL KILGARIFF
Managing Director

[3] Productivity Commission *Supporting Paper 9;Funding and Investment for Better Roads:* 24-25: http://www.pc.gov.au/inquiries/completed/productivity-review/report/productivity-review-supporting9.pdf