

ALC Submission

Queensland Freight Action Plan 2024-2025

Tuesday, 18 June 2024

On behalf of the Australian Logistics Council (ALC), I am writing to provide feedback on the Queensland Freight Action Plan (QFAP) 2024-2025.

The consultation period for this Action Plan has been notably brief, limiting comprehensive stakeholder engagement. Effective freight planning requires robust and inclusive stakeholder engagement, and we recommend extending consultation periods and ensuring all relevant parties are involved.

Introduction

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

Freight affects every Australian, every day, everywhere. Common goods purchased by Australians such as food, clothing, household appliances and medicine all need to be transported by freight operators. Australia's population is expected to grow by 10 million by 2040, an increase which must be supported through proactive investment in freight transport and freight logistics infrastructure.

The importance of an effective, resilient, unencumbered national supply chain in day-to-day life, as well as in times of national disruption, has never been as universally recognised as it is now. Noting the unprecedented circumstances in which the pandemic served, the actions taken by governments at both a Commonwealth and state and territory level, as well as by industry, must be acknowledged and viewed as valuable lessons that will enable greater preparedness in future crises or national disruption.

The importance of sound policy development

To continue supporting Queensland and Australia's economy effectively, policy-making in the freight logistics freight transport and supply chain sector requires substantial reform. This should extend beyond addressing specific existing policies to include a thorough evaluation of how these policies are developed, implemented, and assessed. A systems thinking approach is crucial for managing the inherent complexities and interdependencies within supply chains and freight logistics. Supply chains operate beyond state borders and modal preferences, necessitating policies that avoid siloed approaches and conflicting regulations across various levels of government and jurisdictions. Policies must be designed with an understanding of the entire supply chain system to effectively meet the needs of producers, end users, communities, and consumers.

This includes the requirement to develop policy positions on a cross-departmental and cross-jurisdictional basis. This is particularly important in the areas of land use planning decision making and urban growth, to meet the requirements of freight transport, logistics and warehousing, and to integrate supply chains as essential in the process.

Supply chain policy must also address workforce, skills and training requirements. The freight and logistics sector, a major employer, faces acute short-term labour shortages and longer-term skills and employment gaps. Policy development for workforce involve industry participation in its structure and delivery, employing a "joined-up" government approach to develop industry relevant policy and outcomes.

Supply chain systems thinking and "joined-up" government approaches are prerequisites for coherent policy development and successful action plans to address the major economic and societal challenges such as decarbonisation, climate change (including increased incidence of extreme weather events), and digitisation. These issues require multi-faceted and multi-layered policy approaches that rely on collaboration between government, industry and subject matter experts to transition to the new operating and economic environments they bring while

protecting community well-being and seizing new opportunities as they arise. Freight and supply chains, when supported by appropriately integrated policy, can significantly aid in delivering this transition.

Effective supply chain policy development hinges on a single principle: supply chain awareness. Policy action plans must be enabled by an appropriate comprehensive knowledge on the topic and therefore we look forward to being engaged in the measurement of the success of the action plan – as outlined in the plan. We look forward to helping by providing informed “on the ground” applied expertise. This ensures policy actions and outcomes can be practically achieved and can identify potential impacts and reactions to policy implementation. Governments across Australia now realise – through the Covid-19 crisis – that they must strengthen their awareness through engaging in a structured and ongoing dialogue with industry.

This review comes at a critical time for both the industry and nation.

Significant transformation in energy, digitisation and automation, and decarbonisation are set to impact our economy, community and lifestyle. Policy development to meet these challenges also incorporates the learnings from the supply chain sector during the Covid-19 pandemic. This position has not diminished through the post Covid recovery and has become more critical as we grasp the scale of transformative challenges, we are all now facing.

It is essential that the economic, social and environmental importance of supply chains remains a focus as governments continue to develop state and national policy, including the task of building supply chain awareness across all levels of government, and the public domain.

Development of Meaningful Performance Measures and Reporting

The Queensland Department of Transport and Main Roads (TMR) has historically lacked metrics or reporting mechanisms to track achievements. This absence of performance measurement impedes the ability to gauge progress and identify areas for improvement.

The Action Plan currently has no meaningful way of measuring success in terms of progress towards objectives or illustrating that the activities are delivering on its overall purpose. The current measurement is based around annual counts of the number of projects underway or completed which diminish the meaningfulness of this metric as an indicator of strategy achievements.

The development of more meaningful performance metrics is reliant on the implementation of more robust evaluation of The Action Plan projects and programs, in collaboration with national peak industry bodies, to determine national alignment, relevance and impact of the projects.

This process needs to occur as early as possible in a new project or programs life cycle as possible, to ensure objectives under the Strategy are being addressed. Even with existing projects, recognition and in-principle adoption of the Strategy’s purpose and objectives as part of the projects delivery will at least promote alignment and potentially increase impact.

As part of this process, government and industry should work together to determine an agreed rating for each project based on its alignment, relevance and impact on each objective, along with an evaluation of the impacts of scope, scale and timeline of delivery (short, medium and long term), and urgency of delivery. In many cases this may involve breaking projects or programs down into component parts based on timing of delivery, as this may change the incremental levels of impact.

Initially these ratings and evaluation systems may be very simple but will at least provide some level of empirical measurement across the range of projects (even if it is imperfect). It’s crucial that this process engages consistent, structured input from expert opinions at a national level, underscoring the importance of industry collaboration to ensure the integrity of the performance measures.

Where an Action has been completed, there needs to be freight industry input as to the benefits realised by the completion of the Action. This will allow for a more holistic view of the performance of the Action Plan and the adequacy of the completed Actions in meeting overall Objectives.

Performance-Based Standards

It is concerning that TMR has persistently abstained from participating in any national Performance-Based Standards (PBS) notice. This non-participation limits the potential for standardized, efficient freight operations

across jurisdictions. We urge TMR to engage actively in national PBS initiatives to foster a more cohesive and efficient freight system.

Multimodal System

The document advocates for a mode share shift without recognizing the need for an industrial landscape that allows the industry to choose the best options for themselves and their customers. Freight modes should complement each other within an end-to-end supply chain system, rather than being viewed as isolated mode specific solutions. The emphasis should be on creating a flexible, multimodal system that supports the entire supply chain, noting – most supply chains are national or international.

Inland Rail Project Delays and Challenges

The ALC notes that there have been significant delays and challenges with the Inland Rail project, particularly concerning the sections north of Parkes. While the Federal Government is making notable progress on the segments from Beveridge to Parkes, aiming for completion by 2027, the future of the sections north of Parkes remains uncertain. This includes the Albury to Illabo and Stockinbingal to Parkes sections, which are currently underway and showing significant progress.

However, the delivery schedule for the northern sections, including those in Queensland, is fraught with controversy. Environmental approvals are still “years away,” and issues related to land acquisition, regulatory approvals, and cost uncertainties persist. Consequently, there is no clear start or completion date for construction in these areas.

If the Inland Rail project does not extend beyond North Star, there will be substantial implications for freight logistics. A significant investment will be required to manage the influx of thousands of trucks from farms in southern Queensland seeking to benefit from the faster speeds and double-stacked trains that the Inland Rail route offers. Without the northern extension, these benefits will not be fully realized, undermining the overall effectiveness and efficiency of the project.

Ebenezer Intermodal Terminal

The Ebenezer Intermodal Terminal is set to play a pivotal role in Queensland's freight logistics network, particularly in conjunction with the Inland Rail project. Located in the Western Corridor, near Ipswich, the terminal is strategically positioned to serve as a major hub for the transfer of goods between road and rail. This facility will enhance the efficiency and capacity of freight movements, reducing congestion on roads and improving supply chain resilience.

The development of the Ebenezer Intermodal Terminal aligns with the broader objectives of the Inland Rail project by facilitating seamless intermodal connectivity. It is designed to handle double-stacked trains and accommodate the expected increase in freight volumes that Inland Rail will bring. This terminal will not only serve local and regional markets but also provide critical links to national and international markets, boosting Queensland's economic competitiveness.

However, the success of the Ebenezer Intermodal Terminal is contingent on the timely completion of the Inland Rail project, particularly the northern sections that extend into Queensland. Delays in the Inland Rail project will impact the operational efficiency of the terminal and limit its potential benefits. It is essential for the Queensland Government to expedite the necessary approvals and secure funding to ensure the synchronized development of both the Inland Rail project and the Ebenezer Intermodal Terminal.

An updated plan should also incorporate strategic land preservation for critical freight infrastructure to ensure an efficient and well considered freight network can be established. It is important to protect and utilise optimal locations that capture future population growth centres, with ownership secured ahead of future escalating land values. This extends to the protection of industrial land around transport precincts to unlock the maximum benefit from future investment.

Lack of reference to the National Road Safety Action Plan

It is disappointing there is no reference in the Action Plan as to how the Queensland Government proposes implementing the National Road Safety Action Plan 2023-25, including in particular actions being taken on the path to Vision Zero.

Linkages to national decarbonisation (net zero) initiatives

It is noteworthy there is no reference to how the Queensland Government is to participate in initiatives being coordinated by the Infrastructure and Transport Ministers' Meeting (**ITMM**) such as the Decarbonisation of Transport Working Group, or more broadly how the Queensland government will collaborate with Australian Government initiatives under development such as the proposed Transport and Infrastructure and Net Zero Consultation Roadmap.

National Freight and Supply Chain Strategy (NFSCS)

Page 9 of the Action Plan identifies alignment with 'shared commitment and critical enablers' and the NFSCS.

However, the Action Plan fails to identify the commitments made by the State as part of the Strategy since the last Action Plan and the commitments proposed to be met during the currency of the this Plan.

ALC hopes that identification of NFSCS commitments achieved over the past 12 months and those expected to be completed in the next 12 months will form part of the new formal annual reporting process discussed on page 11 of the Action Plan.

Regional Freight Plans

The regional freight plans are cited as implementation mechanisms but are essentially fragmented freight considerations dispersed within various regional transport plans. Most of these plans are overly focused on infrastructure solutions, which alone are insufficient to enhance safety, sustainability, and productivity. Notably, the South-East Queensland regional transport plan barely references freight or heavy vehicles, despite their economic significance. Some regional plans have not been updated since the original Queensland Freight Strategy/Action Plan, predating 2019. We recommend revising these plans to include comprehensive, up-to-date strategies that address current and future freight challenges holistically.

Conclusion

In summary, the Queensland Freight Action Plan 2024-2025 needs significant enhancements in performance measurement, national coordination, stakeholder consultation, multimodal integration, sustainability targets, and regional planning updates.

The ALC is committed to collaborating with TMR to develop a robust, efficient, and sustainable freight system for Queensland.

Thank you for considering our feedback. We look forward to further discussions and a revised plan that reflects these critical considerations.

We look forward to working closely with TMR and the Queensland Government in the near future to develop the next Freight Strategy post 2025.