



DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS

INDEPENDENT REVIEW OF INFRASTRUCTURE AUSTRALIA

Ports Australia is pleased to provide a submission to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDCA) to contribute to the independent review of Infrastructure Australia. Ports Australia supports considered infrastructure planning to ensure infrastructure investment is planned at a national level, that it is sustainable to meet future requirements, and has demonstrated cost-benefits for Australia. Thus, Ports Australia supports Infrastructure Australia's purpose, to 'provide quality, independent advice to the Commonwealth on nationally significant infrastructure that supports the economy, builds the nation and addresses future needs', and seeks to assist to ensure that this purpose is realised.¹

Ports Australia is the peak industry body representing both publicly and privately owned port authorities and corporations across Australia. Ports Australia is governed by a Board of Directors comprising the Chief Executive Officers of 13 port corporations from across Australia.

At present, investment is required in a multitude of areas and this presents a challenge for government. This therefore necessitates bodies such as Infrastructure Australia that can identify, assess and prioritise needs and solutions; and make these readily available for government to select and support now and should increased funding become available. In the last few years this has been particularly relevant with governments seeking to stimulate the economy with investment in appropriate infrastructure.

In addition, to ensure Australia's supply chain is resilient, competitive and sustainable, 'smarter and targeted infrastructure investment' is required, and this has been set out as one of the four critical action areas in the *National Freight and Supply Chain Strategy* (the Strategy).² Infrastructure Australia's role in enabling this investment through its recommendations remains important.

Ports Australia: Key recommendations

1. Support increased data transparency across the supply chain;
2. Continue to identify and prioritise infrastructure development that aligns with the *National Freight and Supply Chain Strategy*, including digital infrastructure; and
3. Further focus priority listings to ensure attention is given to the most cost-beneficial items.

¹ Infrastructure Australia n.d., Infrastructure Australia.

² Department of Infrastructure, Transport, Regional Development and Communications 2022, *National Freight and Supply Chain Strategy*.



Recommendations

1 Support increased data transparency across the supply chain

Infrastructure Australia aims to give ‘independent evidence-based advice on infrastructure planning, policy and priorities to benefit all Australians’.³ To have evidence-based advice for infrastructure planning, freight data transparency is necessary. This is a priority identified by a number of government bodies including the Bureau of Infrastructure and Transport Research Economics (BITRE) and also in the Strategy which notes that better freight data is a prerequisite to the success of ‘people making decisions have relevant information in a timely manner to improve freight performance and decision-making about infrastructure investment needs, areas of reform, and operations, governance and community amenity’.⁴

At present, freight data is not available across all transport modes. This puts Australia’s logistics system at an overall disadvantage, as the supply chain sector, including ports, as well as federal and state and territory governments cannot appropriately plan based on the best available data. More assumptions are required to be made and there is more room for error. As such, a clear understanding of freight data is needed to have an accurate understanding of freight flows, and an accurate assessment of the freight infrastructure needs in Australia. Ports Australia is calling for government bodies to support efforts to require certain freight data to be available to specific government and industry entities such as container origin and destination data.

2 Continue to identify and prioritise infrastructure development that aligns with the *National Freight and Supply Chain Strategy*, including digital infrastructure

The identification and prioritisation of infrastructure development should continue, and be aligned with the *National Freight and Supply Chain Strategy*. It is also recommended that freight infrastructure recommendations be enhanced going forward by including digital infrastructure investment as in scope.

Ports Australia would like to acknowledge Infrastructure Australia’s support of work that aligns and progresses initiatives within the *National Freight and Supply Chain Strategy*. Infrastructure Australia has engaged Ports Australia and its east-coast container port members regarding the Infrastructure Priority List (IPL) item, *East coast deep water container port capacity*. This has led to an important body of work, recommended in the IPL, that Ports Australia is now leading in collaboration with the DITRDCA to “assess future vessel sizes and infrastructure investment requirements that optimise the overall cost effectiveness of import and export supply chains”. This exemplifies the constructive work that can result from an IPL and that is aligned with the *National Freight and Supply Chain Strategy*, that is not solely about recommending investments but coordinating approaches to assessing infrastructure requirements.

As national infrastructure opportunities, physical or digital, require significant coordination between entities, Infrastructure Australia is encouraged to continue to define next steps in relation to the development of business cases which may not have a distinct lead in first instance. One example of a digital initiative that requires coordination of a business case across industries and governments, and has been raised by Ports Australia recently, is freight community systems.

Freight community systems are digital exchange networks that enable supply chain participants to exchange information enabling visibility of data across supply chains. Whilst a number of state governments are undertaking their own business cases and/or trials around freight community systems, it is imperative that a

³ Infrastructure Australia n.d., Infrastructure Australia.

⁴ Department of Infrastructure, Transport, Regional Development and Communications 2022, National Freight and Supply Chain Strategy.



national perspective is taken to simplification and digitalisation of Australia's trade system to ensure consistency and maximise efficiencies for government, importers, exporters, transporters and other supply chain entities. The Australian freight task is interconnected and many freight transporters are national organisations undertaking services between jurisdictions.

Government has the opportunity to enable this coordinated and standardised approach for numerous government, supply chain and community benefits. These include but are not limited to, reduced duplication in the provision of information, increased transparency of imports and exports, increased ability to reduce risks related to imports and exports (for example greater transparency of freight approvals by authorities, would provide greater clarity to all parties in such situations as the Ruby Princess), improved short-term responsiveness and improved long-term planning.

3 Further focus priority listings to ensure attention is given to the most cost-beneficial items

Infrastructure Australia has identified many priorities as part of its Infrastructure Priority List, and whilst it is important that these many priorities are assessed, a more targeted list is recommended. A smaller group of priorities would enable increased focus on items of greatest cost-benefit and thus assist with endorsement and funding by the Australian Government. In conjunction with this, a supplementary list of slightly lesser priorities should be prepared by Infrastructure Australia and be made available should additional finances become available, such as what occurred during the COVID-19 stimulus. This would ensure that rapid infrastructure spending has the same level of scrutiny and impact as longer-term infrastructure investment planning.

Ports Australia is appreciative of the consultation being conducted and seeks to support the independent review by outlining opportunities to enhance Infrastructure Australia's approach and operations. Should DITRDCA require further information, please do not hesitate to contact Ports Australia which would be pleased to supply supplementary material.



Ports Australia

Level 2, 1 York St, Sydney NSW 2000
02 9247 7581 | info@portsaustralia.com.au
www.portsaustralia.com.au

REFERENCES

Department of Infrastructure, Transport, Regional Development and Communications 2022, *National Freight and Supply Chain Strategy*, Department of Infrastructure, Transport, Regional Development and Communications, Canberra, viewed 15 August 2022, <<https://www.infrastructure.gov.au/infrastructure-transport-vehicles/transport-strategy-policy/freight-supply-chains/national-strategy>>.

Infrastructure Australia n.d., Infrastructure Australia, Canberra, viewed 15 August 2022, <<https://www.infrastructureaustralia.gov.au/>>.