Australian Government
Department of Infrastructure, Regional Development and Cities

National Freight and Supply Chain Strategy

Industry Focus Groups 21 November – 4 December 2018

This report summarises feedback received from Industry Focus Group sessions, held to test key elements arrived at in the development of the National Freight and Supply Chain Strategy (the Strategy).

The key elements of the Strategy were preliminary and were shared with focus group participants to test and further develop them ahead of bringing a package back to the COAG Transport and Infrastructure Council in 2019. They draw on strategies and reforms (past and current) including the *2016 Infrastructure Australian Plan* and outcomes from the industry-led *Inquiry into National Freight and Supply Chain Priorities*. They have been designed to ensure a 'line of sight' between a national freight vision and implementation through jurisdictional plans.

The focus group sessions attracted a broad mix of representatives from industry, all levels of government and members of the community. For further information about the sessions please see the Appendix.

KEY FEEDBACK

- There was general support for the key elements of the Strategy and the consultation process.
- The Strategy should emphasise the Federal Government's role in strategic co-ordination, ensuring integration across all modes, all levels of government and across all relevant portfolios.
- The Strategy should facilitate multimodal planning, with a balanced, whole-system approach, and focus on both global and domestic supply chains.
- Embed the concept of an 'agile, adaptive freight system, responsive to change' in the Strategy, with more supply chain intelligence to help forecast necessary adaptation.
- More dynamic language where possible (eg 'implement' instead of 'investigate' or 'facilitate'). Concerns were expressed over the length of the vision.
- The importance of incorporating effective land-use planning was highlighted in all sessions.
- The need for data/information related to freight and the need for alignment between industry and Government in relation to what is gathered.
- More consideration of first mile/last mile issues.

- Participants support the consideration of regional/remote issues, but urged greater recognition that transport routes support communities, not just freight.
- Provide a broader definition of sustainability beyond purely environmental outcomes.
- Make specific references to individual modes or projects – eg rail, coastal shipping and perspectives of their role within the 'freight system'.
- A stronger focus on what is going to be new and different and short-term, as well as long-term actions.
- The Strategy should enable best use of existing assets as well as prioritising investment in new infrastructure.
- Provide a sense of where funding will be provided to implement the Strategy and how initiatives will be prioritised.
- What role do we envisage industry taking to support implementation of the Strategy?

FEEDBACK: KEY ELEMENTS

Feedback was sought on the key elements of the Strategy: a suggested vision to facilitate a 20-year Strategy with a range of goals to achieve the vision.

For context we advised that the rationale for a national Strategy is:

- To provide a national and integrated approach to Australia's freight and supply chains; and
- To provide a framework for government and industry to collaboratively identify and benchmark a rolling plan of immediate and longer-term actions over a 20-year timeframe; and support supply-chain efficiency by guiding government and industry planning and decisions that may have freight implications.

Detailed feedback was also sought on a series of high level actions that support the implementation of a 20-year Strategy. The suggested actions respond to issues raised through consultation, which require a national response and/or cross border collaboration to drive freight and supply chain efficiency. Feedback was sought on a 'success' statement, representing the outcome from the successful implementation of the suggested actions.

Vision

- The following possible vision for the Strategy was discussed in the sessions:

  'A freight system that is safe, secure, efficient, sustainable, reliable and globally competitive; promotes innovation; minimises freight costs for producers and consumers; and supports a strong and prosperous economy for the benefit of all Australians.'

- Across the sessions held nationally, there was broad support for the intent of the proposed vision, but a more aspirational tone was suggested. Key feedback included:
  - Consider reducing duplication of goals in the vision.
  - Clarify the definitions of freight system/network (versus supply chain).
  - Consider incorporating concepts of national integration, multi-modal approach and intelligent transport systems.
  - Reconsider 'minimise freight costs'. Is there the potential to focus on efficient systems or being transparent about cost instead? If minimising freight costs remains, then the operator has to be considered as well as producers and consumers.

Goals

- Council having agreed the Strategy's goals earlier in the year, the possible direction for each goal was discussed in the sessions, as set out below.

Goal 1: Productivity – *Australia's freight related infrastructure, precincts and associated land, maritime and air connections are adequate, planned, accessible, optimised and reliable.*

- There was support across the sessions for the intent of this goal. A renewed focus on the wording was suggested to recognise the importance of infrastructure that is fit for purpose and well maintained.

Goal 2: Competitiveness – *Australia's freight system participants operate efficient and viable enterprises capable of thriving in competitive, global markets.*

- There was limited feedback on this goal across the sessions, other than ensuring consideration of providers and users.

Goal 3: Safety and Security – *Australia's freight networks are secure and safe for all transport users.*

- There was also limited feedback on this goal, other than amending 'transport users' to 'everyone'.

Goal 4: Sustainability – *Australia's freight related infrastructure and operations support positive environmental outcomes.*

- There was considerable debate on this goal across the sessions, with support expressed for a much broader definition of sustainability. Environmental outcomes including emissions reduction were considered important, but there should also be a focus on long-term network resilience, including in the face of climate impacts and other disruptions.

Goal 5: Acceptance – *Australia's freight industry supports positive social outcomes.*

- There were many recommendations to incorporate the concept of social licence in the goal's wording and highlighting that achievement of this goal requires both consumer education and appropriate freight industry performance.
- Acceptance is less of an issue in regional areas where populations have greater awareness of the importance of freight to their communities.
- Several participants also expressed the need for balance between what the industry can do to achieve acceptance, while still being able to provide services profitably and reliably.

Actions

- There was broad support for the success statements and actions.
- More clarity was sought on some of the phrasing and terms used.
- Comments on the actions are incorporated in the 'KEY FEEDBACK' section above.

Appendix :

SESSIONS SUMMARISED IN THIS REPORT

City	Number of participants	Date
Darwin	18	21 November 2018
Sydney	53	22 November 2018
Canberra	33	23 November 2018
Melbourne	48	26 November 2018
Launceston	11	27 November 2018
Adelaide	37	28 November 2018
Townsville	12	29 November 2018
Brisbane	41	30 November 2018
Perth	41	3 December 2018
Albury	16	4 December 2018
Total Participants	**310**	

STAKEHOLDER REPRESENTATION

Stakeholder Group	Representatives	%
Carriers – road, rail, air, sea	26	8.5
Terminal and intermodal operators	11	3.5
Logistics service providers	6	1.9
Rail infrastructure owner	1	0.3
Cargo owners (Primary producers, Mining, Retailers, Manufacturers)	15	4.8
Industrial real estate developers	3	1.0
Seaport and Airport Managers	20	6.5
Consultants	23	7.4
Peak bodies, chambers of commerce and other business associations	50	16.1
Industry	**155**	**50**
Economic development agencies	10	3.2
Local government	38	12.3
Commonwealth and State and Territory government	102	32.9
Government	**150**	**48.4**
Other stakeholders – environmental and community groups, unions, academia	5	1.6
Total	**310**	**100**