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Freight and Supply Chain Inquiry  
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To Whom It May Concern:

As the largest Australian-owned logistics company, Linfox welcomes the opportunity to assist the important work of the Department of Infrastructure and Regional Development [DIRD] through the deliberations of its Freight and Supply Chain Inquiry.

Noting DIRD guidance on the Commonwealth's intention for this process to inform its push for greater, evidence-based coordination on freight and supply chain spanning all levels of government, Linfox is pleased to outline the broad principles it believes this process should consider, consistent with the Terms of Reference promulgated by the Minister for Transport and Infrastructure, The Hon. Darren Chester MP.

These include:

- *Future road transport solutions*  
While Government interest in, and support of emerging, lower emissions technologies is welcome, the proportion of the country's vehicular emissions attributable to heavy vehicles projected to increase significantly in line with Australia's expanding freight task means Linfox would welcome further consideration by government of the role alternative fuel sources may play in the future. Given the extent to which research efforts have focused on lower emission solutions better suited to last mile tasks, Linfox would welcome Commonwealth support for Australian collaborative research centres [CRCs] to play an important role in the development and testing of either heavy electric vehicles (EVs) or heavy fuel cell vehicles (FCVs) in the near term, suited to Australia's unique geography. Australia's unique geography and land availability supports private, controlled road environments well suited to this proving task, in partnership with our world-renowned CRCs.
- *Cross jurisdictional planning*  
Linfox believes all three levels of government have an important role to play in ensuring the amenity to all users of our transport networks and, importantly, freight and employment precincts. While the need for coordination is ordinarily understood as one between Canberra and the States, or alternatively between state and local government, more effective regional collaboration between councils spanning metropolitan geographies is an oft-overlooked area for improvement. Notwithstanding that, Linfox notes the important role that bodies such as Transport for New South Wales (TfNSW), VicRoads, and the City of Melbourne have played in recent times in working with industry on issues surrounding congestion, delivery windows and major works.

- 24/7 supply chain

Like any user of the road network, congestion represents a significant cost to our business and to our customers. Unfortunately, many of our customers, particularly in inner urban areas that are a drawcard to their residents because of their convenience, are restricted from receiving goods at times of reduced or no congestion on the road network, resulting in congestion in multiple local government areas as the task must be performed during times of higher demand. This is despite the growing trend in the retail and grocery sectors towards increased convenience, which represents a disconnect between the expectations of a growing number of voters on the availability of goods, and antiquated planning laws. Typically, such restrictions are outmoded, insofar as they do not take into account newer, quieter, and more efficient vehicles. An unfortunate, inequitable corollary of this lack of coordination between municipalities is that areas on the metropolitan fringe, reliant on logistics precincts for the employment opportunities they support, bear the brunt of the outbound logistics task in the morning peak, to the extent we are forced to observe decades-old delivery windows in inner city areas. Forecast increases in the last mile task for industry will only exacerbate problems stemming from a lack of coordination in this sphere.

- Maintenance and preservation of existing freight precincts

Of particular concern to Linfox is the lack of planning coordination regarding existing freight or port precincts, and the significant risk this can pose to the effective operation of key components of Australia's freight network. Perhaps the best example of this is Port Botany and its surrounds, with commercial and residential developments abutting the precinct serving to limit what can and should be an effective 24/7 employment precinct. While preservation of land corridors on the metropolitan fringe is important to our industry in all geographies, again using Port Botany as the example, projected increases in the last mile delivery task in central, southern and northern Sydney won't be best served from Sydney's west alone, meaning distribution facilities in and around key focal points such as Botany and neighbouring areas will likely be required well into the future. While State and Commonwealth Governments tend to agree on the importance of removing friction from the supply chain and preserving these vital employment precincts, there remains a gap between infrastructure and planning policies that needs to be bridged, a phenomenon that is far from specific to New South Wales.

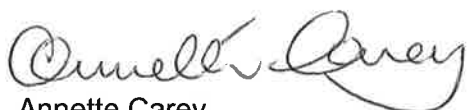
- Safety and compliance, and national coordination on frameworks governing vehicle and infrastructure automation and connectivity

Safety and compliance is the number one focus for Linfox Logistics, reflected in our company's Vision Zero ethos. In other sectors of the transport industry, there has been a highly publicised move away from strictly-regulated and standardised training requirements for drivers and safety standards for vehicles, consistent with the entrance into the market of ridesharing operators with low to no barriers to entry. Industry concern at such trends is well understood. There's a reason our industry is as closely regulated as it is; given the safety risks attendant to fly-by-night heavy vehicle aggregators, Linfox believes there is no place for grey areas, or overlooking non-compliance in the transport industry. Linfox also believes there is significant potential in vehicle to vehicle (V2V) and vehicle to everything (V2X) communication, which are key enablers of both increased vehicle and network automation. To help realise the mooted increases in safety and productivity that increased automation can deliver, a nationally consistent legislative framework supporting the testing and implementation of automated vehicle (of all types) and infrastructure solutions is key, as well as a framework that is able to be adapted as these dynamic technologies continue to rapidly evolve – these rules cannot be set and forget.

- *The Future of Work and the 21<sup>st</sup> century supply chain*  
With the average age of a truck driver in Australia being 54, and significant increases in demand projected for freight movements by road in years ahead, both State and Federal Governments have a role to play in ensuring that sustainable pathways exist for young Australians seeking to engage in education and training opportunities leading into operational roles in the transport sector. Linfox does not foresee a material reduction in these labour requirements in the foreseeable future on account of vehicle automation, owing to the fact that automation will occur in stages, as well as on account of the growing freight task. Market-led moves toward increased automation in and around ports, as well as in other logistics tasks such as warehousing, will likely require significant and ongoing co-operation between employers, unions and government in ensuring that valued members of our workforce whose jobs may otherwise be susceptible to increased automation are given improved training opportunities to help oversee or manage those automated assets and processes.
- *Big ticket items*  
Linfox welcomes recent funding announcements by the Commonwealth Government for big ticket infrastructure items such as the Brisbane-Melbourne inland rail, and the Greater Western Sydney Airport at Badgery's Creek. These are projects of national significance that have to one extent or another enjoyed bipartisan and cross-jurisdictional supported at various stages over several decades. Without downplaying the degree of difficulty in getting these decisions over the line, they have long been on the cards. In the coming decades, Melbourne, already the focal point of the nation's inbound freight task, is forecast to overtake Sydney as the country's largest city. This growth will place additional pressure on the city's ever-expanding transport network. Rather than having a debate for the next thirty years about second airports or where to place intermodal terminals, work needs to begin now to develop a fully intermodal solution to meet not just Melbourne's existing freight needs, but to help drive the employment growth it will need to support its population growth in the years ahead.

Thank you for the opportunity to inform the deliberations of this Inquiry.

Sincerely



Annette Carey  
CEO, Linfox Australia and New Zealand

