

The Australian Logistics Council (**ALC**) welcomes an opportunity to make a submission on the Ports and Maritime Administration act and Port Botany Landside Improvement Strategy (**PBLIS**) options paper (**the options paper**).

ALC is the peak national body representing major companies participating in the freight logistics industry. ALC's policy focus is on delivering enhanced supply chain efficiency and safety.

In making this submission, ALC has had the advantage of attending an industry briefing session conducted on 14 July 2022.

ALC acknowledges the industry consensus expressed at that meeting that the PBLIS system has assisted the efficient operation of the Port botany infrastructure, and there is no wish to return to the situation prior to the commencement of PBLIS where there were kilometres long lines of heavy vehicles attempting access the facility.

We also note the reference on page 28 of the issues paper indicating the cost benefit analysis prepared for this project supports the PBLIS approach.

ALC members generally support the direction of the recommendations relating to the *Ports* and *Maritime Administration Act 1995* (**the Act**) and to PBLIS set out in Option A.

This means that ALC would not support the immediate adoption of the deregulatory thrust of Option C although it believes there is scope to consider transferring the administration to PBLIS to NSW Ports for the efficiency reasons set out on page 63 of the options paper.

This is because there needs to be clearer delineation between operations inside and outside of the port gate.

However, any final decision (including the adoption of more deregulatory options) should be delayed until stakeholders can measure how well the other options taken up by government following this review have performed in practice.

It will of course be important that industry participants (particularly the smaller heavy vehicle operators) are closely consulted as any adopted proposals are implemented.

We would like to make the following general observations:

## PBLIS Option A8

As discussed at the industry briefing session, ALC agrees the power to regulate stevedore charges currently within the PBLIS regulatory structure (which has not been exercised) should be removed.

This is a national issue dealt with through the publication of monitoring reports that examine prices, costs and profits of container stevedores at international container ports by the ACCC pursuant to an Australian Government direction and so is an issue properly beyond the scope of PBLIS.

## Data

ALC strongly supports the use of data to improve the efficiency and sustainability of the supply chain.

It would therefore support initiatives that encourages the sharing of information that would facilitate the efficient operation of the Port Botany infrastructure.

However, members report that for the time being the provision of additional pieces of data should not be mandated in regulations.

For instance, industry is working collaboratively with Transport for NSW to improve the transparency of data relating to empty container parks<sup>1</sup>. This collaboration should be permitted to proceed without the strictures of regulation.

The options paper also considers mandating information and data formats and types for vessel manifests<sup>2</sup> as well as the development of a Freight Community system (**FCS**).<sup>3</sup>

The Australian Government is developing a Simplified Trade System, a whole of government microeconomic trade reform that is designed to produce a simplified, 'tell us once' digital model for government business directions for importers and exporters.<sup>4</sup>

It is also developing the National Freight Data Hub, which is a federated data sharing network which has as its initial focus the ability for governments of all levels to share the data they hold with industry<sup>5</sup>. It is an initiative recognised as part of the Australian Data Strategy Action Plan.

Something industry is hoping to have developed as soon as possible through the Freight Data Hub project is the development of a single data standard so information about freight can be passed down the supply chain in a seamless fashion through the use of a common data language, thus facilitating the interoperability of data systems and increasing the visibility of freight.<sup>6</sup>

Option B14 advocates the progression of an FCS Strategic Business Case being considered by the NSW Government.

Although a decision on the FCS will be made by the Government in due course it is important NSW does not duplicate work being done on a national level given that many of the issues identified on page 57 of the options paper and the challenges set out on page 60

<sup>&</sup>lt;sup>1</sup> it is noted that page 33 of the options paper says that empty container parks are not covered by the PBLIS arrangements and to incorporate them into a port what approach they require additional regulation. A regulatory exercise should not proceed until a full cost benefit analysis is conducted on any proposal to regulate container parks.

<sup>&</sup>lt;sup>2</sup> Act option 12

<sup>&</sup>lt;sup>3</sup> PBLIS option B14

<sup>&</sup>lt;sup>4</sup> https://www.austrade.gov.au/simplified-trade-system/home

<sup>&</sup>lt;sup>5</sup> https://www.infrastructure.gov.au/sites/default/files/documents/nfdh-brochure.pdf

<sup>&</sup>lt;sup>6</sup> https://datahub.freightaustralia.gov.au/data-standards/

(particularly the lack of common data standards and methods for exchanging commercial freight data) are matters being considered at the national level.

ALC will therefore look forward in seeing the strategic business case when finally produced as well as, most importantly, how any implementation would be funded.

Rail

The intention of the NSW Freight and Ports Plan 2018-2023 is to increase the share of rail freight at Port Botany to 28% or 930,000 TEU by 2021 (against a 2016 baseline of 17% or 388,552).<sup>7</sup>

The target has been missed.

As Transport for NSW has said:

......transporting freight on the rail network significantly improves efficiency, congestion and sustainability, especially around major trade gateways. This is important as the volume of freight moved through NSW ports will grow in the future. <sup>8</sup>

ALC therefore generally supports the options set out under PBLIS Option D.

As indicated on page 74 of the options paper, the regulated rail booking fee does not appear to have served the purpose for which it was created. The recommendation to remove the fee proposed in Option D19 is supported.

It agrees with Option D21. There needs to be greater alignment between public infrastructure managers (including Sydney Trains and ARTC) to ensure rail freight needs are being set.

The recommendations contained on page 4 of the NSW Auditor-General Report *Rail Freight* and *Greater Sydney*<sup>9</sup> should be adopted in full.

Finally, ALC agrees with the proposal in option D22 to encourage voluntary agreements between private sector participants to improve rail coordination and Option D23 to examine additional future rail options, particularly the proposal to move to a standardised 600 m train length from the current longer lengths because of the benefits identified on page 81 of the options paper. This includes the breaking of regional port trains at metropolitan intermodal terminals for onward distribution by terminal dedicated 600m shuttles.

Once again, thank you for the opportunity to respond, please contact Rachel Smith, Head of Government and Policy, <a href="mailto:policy@austlogistics.com.au">policy@austlogistics.com.au</a> or 0433 569 301 should you require additional information.

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<sup>&</sup>lt;sup>7</sup> https://www.transport.nsw.gov.au/data-and-research/freight-data/freight-performance-dashboard/use-of-rail-freight-at-port-botany

<sup>&</sup>lt;sup>8</sup> Ibid

https://www.audit.nsw.gov.au/sites/default/files/documents/Rail%20freight%20and%20Greater%20Sydney\_0.pdf