



MEDIA RELEASE

IPA CALLS FOR AN INDEPENDENT FREIGHT BODY TO ARREST COMPETITIVE DECLINE IN \$170BN INDUSTRY

A new major report by Infrastructure Partnerships Australia calls on the Federal Government to establish an independent, world-leading freight body called Freight Performance Australia to arrest the decline in Australia's trade competitiveness.

"Australia's freight network is the backbone of our competitiveness. It contributes \$170bn to our economy, yet we lack clarity on why we do freight badly compared to our international peers," said IPA Chief Executive Adrian Dwyer.

"Despite innovations in automation in recent years, over the last decade Australia has fallen from 23rd to 95th in the World Bank's rankings for trade across borders. On these rankings, Australia is now trading behind Albania, Nicaragua, and Swaziland.

"This rapid fall in our trade competitiveness comes at the same time that Australia's freight task is going to grow by 26 per cent over the next decade – we simply aren't prepared for the task ahead.

"While we have an array of macro trade indicators, people would be stunned to know that we have no idea about the cost or time it takes to get goods to market or even the final destination for our goods. We have no data at all to measure how we drive costs down for businesses and consumers.

"In short, we can't diagnose what we can't see. That's why our major recommendation is the creation of a single, statutory national body called Freight Performance Australia," Mr Dwyer said.

The performance body would draw on lessons from Australia's international peers and independently measure and publish detailed analysis of congestion on our roads, bottlenecks and the overall performance of our logistic and supply chain networks.

"Freight Performance Australia will use data and information to engage freight industry, political and community stakeholders on key freight policy, regulatory reform and priority projects," Mr Dwyer said.

"This would be done by using data that is currently held across all levels of government and private companies such as logistics providers, infrastructure companies, and major freight customers such as supermarkets.





“Bringing all this data together will give Australia the visibility needed to drive efficiencies in the system to improve Australia’s trade competitiveness, ultimately driving down the costs consumers pay at the checkout,” Mr Dwyer said.

The new report calls on the Council of Australian Governments to support the establishment of the independent performance body, with a board and management committee appointed by 2020.

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