



20 December 2019

Dr Gary Dolman PSM
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CANBERRA ACT 2601

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Dear Dr Dolman

RE: NATIONAL FREIGHT DATA HUB: DISCUSSION PAPER #1

Infrastructure Partnerships Australia is pleased to provide this submission to the Department on the design of the National Freight Data Hub. Infrastructure Partnerships Australia is a firm advocate of the National Freight Data Hub. Our 2018 paper *Fixing Freight: Establishing Freight Performance Australia* argued for the establishment of such a body.

Infrastructure Partnerships Australia is an independent think tank and executive member network, providing research focused on excellence in social and economic infrastructure. We exist to shape public debate and drive reform for the national interest.

Strategic purpose of the hub should underpin all design considerations

Infrastructure Partnerships Australia is pleased to see that the National Freight Data Hub has been established to facilitate strategic reform of Australia's freight networks, and improve Australia's global competitiveness. The Hub's role in undertaking data collection and evaluation should underpin evidence-based recommendations for network investment decisions to improve Australia's freight performance. This strategic purpose should inform decisions regarding the Hub's form and function.

Users of the hub will be varied, including industry, government, regulators, researchers and the community, each of which will likely interact with and use the Hub's information in different ways. It is important that the design of the Hub reflects these users' diverse needs, and allows each to easily access information that supports their decisions and advice on Australia's freight networks. By focusing on a design that will best serve the strategic vision of data collection, evaluation and evidence-based recommendations, the Hub can both underpin and reflect improvements in the competitiveness of Australia's freight market.

All data should be collected in one place

A core function of the National Freight Data Hub is the collation of data in a central body. One of the underlying causes of the current freight data deficit is data collation rather than data collection. Much of the data that decision makers need is already collected, but it remains fragmented and rarely analysed.

Infrastructure Partnerships Australia's 2018 report on freight performance found that collection and



publication of information about network performance is routinely deficient – often held in a patchwork of isolated datasets spread across tiers of government, industry, and the supply chain. The National Freight Data Hub should have the capability to collect and process a large dataset. It must also have the mandate to obtain relevant data from a range of stakeholders.

The Hub should focus on the big challenges in freight performance

The Hub should seek to represent data that highlights inefficiencies or gaps in freight networks in order to focus government and industry attention on where interventions are required, and where the greatest improvements to efficiency and productivity are possible.

By systematically measuring across time, quality and cost in the supply chain, the National Freight Data Hub can both indicate the need for intervention, and crucially, measure the impact of those interventions once delivered. This is true of physical interventions like a new or upgraded rail connection, as well as from policy or regulatory changes like a new access regime or modified curfew. The Hub could provide the evidentiary baseline for governments to pilot and test reform options before a wider rollout, while providing clear evidence to industry and the community to secure enduring reform.

The hub must have the mandate, structure and resources to perform its function

Individual commercial interests should be protected, but not allowed to prevent the collection of data. For the individual actor in the supply chain, privacy concerns around data may be rational and justified. Revealing an individual's cost structures and relative efficiency to the market would allow competitors to replicate innovations and remove competitive advantages. But thought holistically, every participant in the supply chain, from primary producer to final consumer, would benefit from greater knowledge about where the network is constrained or inefficient. The National Data Freight hub must be a body which will be able to protect the commercial interests of participants, but collect, synthesise and share data across the supply chain to the benefit of all.

As indicated in Infrastructure Partnerships Australia's 2018 paper, the Hub should have reasonable powers to obtain relevant and necessary data to perform its functions, as well as the structure and resources to interpret the data. The Hub must have governance and processes that ensure appropriate connections to government agencies, freight providers and customers, but also appropriate independence from each.

Thank you for your consideration of this submission. Should you require further information, or would like Infrastructure Partnerships Australia to provide further evidence through this Inquiry, please contact Mr Hamilton Hayden, Senior Policy Adviser on (02) 9152 6018 or hamilton.hayden@infrastructure.org.au.

Yours Sincerely



ADRIAN DWYER
Chief Executive Officer

