

Annual Report 2023



Contents

Message from the Chair	3
Council Membership and Planning	5
Alliances	5
Our Focus	5
Strategic Issues	6
Supply Chain Resilience	6
Decarbonisation of the Road Freight Sector	6
Workforce Skills and Shortages	7
National Freight Supply Chain Review	7
Standing Work Items	7
Other Activities	8
Submissions	8
Branding and Communications	8

Message from the Chair

The Freight and Logistics Council of Western Australia (the Council) was established in 2009 to provide a high-level conduit between industry and the State Government to facilitate improved strategic policy outcomes relating to the movement of freight.

The purpose of the Council is to provide direct advice to the Minister for Transport, and action wherever agreed on high impact issues that affect the efficiency and sustainability of freight and logistics within the WA supply chain. This includes relationships with cross-modal issues.

The Council promotes the common interests of those who are engaged in, or interested in, strategic freight and logistic activities impacting on Western Australia (WA). The Council's members represent all modes of transport from the freight and logistics industry, state and local government organisations, as well as maritime and transport unions.

When issues are raised within the Council, they are progressed through a process of research and discussion. The research is enabled through the resources of our staff and our membership and the discussion through our broad network of contacts in industry and government at both state and national levels. This dialogue allows a useful exchange of views during policy formulation and encourages industry ownership of subsequent State Government positions.

This report highlights the key activities of the Council during 2023, some of which will be carried forward into 2024. Key areas of activity include supply chain resilience, decarbonisation of the road freight sector and input into the development of appropriate and targeted training programs for freight and logistic workers and trainees. The Council was also involved in important state infrastructure programs such as providing input into land freight access consideration in planning for the proposed Westport.

At a national level, the Council continues to be involved in the development of the Federal Government's Freight Data Hub as well as input into the Federal Government's National Freight and Supply Chain Review.

The Council also established a wider Freight Reference Group (FRG) in 2023. The FRG members are not part of the Council but provided input on matters within their area of expertise and in times of unexpected challenges will be invited to meet in an industry round table with the Minister for Transport.

They were invited to join with the Council at the Supply Chain Resilience Forum in August 2023 which the Minister Assisting the Minister for Transport attended. This forum provided advice on high impact issues that affect the efficiency and sustainability of the freight and logistics within the WA supply chain.

The Council's executive team continued with Executive Officer Drew Gaynor and Executive Assistant Lynne Karow assisting myself and the Council on matters at hand.

The Freight and Logistics sector faced challenging circumstances in 2023 and there are other challenges ahead. I look forward to continued engagement with our members, industry and stakeholders on strategic freight and logistics issues into 2024.

Megan McCracken

Chair



Council Membership and Planning

The Council is a dynamic group and from year to year the membership may change to ensure that a broad range of voices from industry are heard. The Council's membership for 2023 was:

- Centurion Transport
- Fremantle Ports
- ARC Infrastructure
- Perth Airport
- Qube Bulk
- Western Roads Federation
- Transport Workers Union
- Department of Transport
- Co-operative Bulk Handling
- Mid-West Ports
- WA Local Govt Association
- Maritime Union
- Livestock Rural Transport Assoc of WA
- Watco/Intermodal Group
- Main Roads WA
- Dept of Primary Industries and Regional Development
- Public Transport Authority
- Aurizon
- WA Planning Commission
- Chamber Minerals & Energy WA
- Mediterranean Shipping Company (Aust) Pty Ltd
- StarTrack

In 2023, the Council welcomed new members being, StarTrack/Australia Post and Mediterranean Shipping Company (Aust). Mid-West Ports replaced Southern Ports as the representative for regional ports.

Including the Supply Chain Resilience forum, the Council met five times in 2023. It also invited experts to address the meetings during the year including Geoneon, Australasian Railways Association and Westport.

Alliances

In 2023, the Council continued its strategic partnership with the Australian Logistics Council (ALC). The mutually recognised partnership provides benefits through working together on common policy issues and having access to national discussions.

The ALC coordinated a series of in-person and online meetings across the country relating to the Federal Government's <u>National Freight and Supply Chain Strategy</u> review and the Council assisted in coordinating the Perth workshop and informing the industry of the online meetings. Subsequently, we submitted a paper on the subject and look forward to the draft Strategy in 2024.

The Council maintains contact with Ports Australia and other state-based freight councils including the NSW Freight Transport Advisory Council, Queensland Transport and Logistics Council and the South Australian Freight Council as well as other associations and industry groups. It also continues to be active in other forums including the WA Port Operations Task Force.

Our Focus

In any given year, the Council deals with a range of freight and logistic issues. Some are planned while others present themselves during the year. In 2023, the Council reorganised its work program into strategic Issues; standing work items and other activity that came before the Council.



Strategic Issues

Supply Chain Resilience

Supply chain resilience is the responsibility of government and industry. Each has a role to play in ensuring supply chains work efficiently and can withstand disruption. When disruption occurs, a collaborative approach is required from government and industry to restore links and the flow of goods and services.

Supply chain resilience is usually seen through the prism of disruption by weather events such as the Trans Australian Rail Line break in 2022 or the recent damage to the Fitzroy River Crossing bridge.

Issues include:

- Developing infrastructure that can withstand greater severity of weather.
- Developing alternate routes or modes of transport.
- Developing better rapid recovery plans.

However, it is correct to also consider supply chain resilience in terms of meeting the needs of the state's growing and changing economy into the future.

Issues include:

- Identifying supply chain weaknesses for the future economy.
- Identifying what will these challenges will be in terms of emerging industries.
- Identifying what infrastructure will be required.
- Identifying operational and regulatory support for supply chain resilience.
- Understanding how national and international supply chains impact on intrastate supply chains and how to lever off these changes eg, shift to direct shipping to Pilbara.
- Understanding logistics warehouse and distribution centre capacity and the impacts on supply chains.
- Understanding relationships between air, sea and land freight modes.
- Understanding AI, cybersecurity, emerging technology.
- Understanding the transitioning of the freight sector to zero emissions.

The Council held an industry forum in August with its wider FRG, asking three key questions:

- 1. How will WA's freight task evolve over the next 10-20 years?
- 2. What factors are likely to impact on supply chains?
- 3. How can improved supply chain resilience be locked in?

It presented its outcomes to the Minister Assisting the Transport Minister Hon David Michael MLA for his consideration. The Council will be undertaking further work into supply chain resilience in 2024.

Decarbonisation of the Road Freight Sector

The move from fossil fuel freight vehicles to emission free freight vehicles is an area of focus for the Council. The State Government has a plan for the state to reach net zero emissions by 2050. This is being driven through its Sectorial Emissions Reduction Strategy. The Department of Transport (DoT) is the lead agency on the transport component of the program - Transport Sector Emissions Reduction Strategy.

Discussion with DoT has identified that the Council is well placed to help facilitate two-way communication between the road freight sector and government on the journey to decarbonisation.

The Council is collaborating with DoT on an Engagement Strategy to determine the challenges the industry faces in transitioning away from fossil fuel vehicles. The focus will primarily be on the small to medium size rigid trucks operating in the Perth metropolitan area and the greater Bunbury area.

Initial work has been completed with targeted consultation with some select freight companies in the metropolitan area providing insight on wider engagement with the freight sector.

Initial feedback from the targeted companies included:

- Technology challenges
- Commercial and operating barriers
- Provision of charging infrastructure
- Government communications

Using the information gathered in the initial consultation, a list of freight companies is being compiled so that information and interaction on this initiative can occur between government and the road freight sector throughout 2024.

Workforce Skills and Shortages

The Council continues to work with Logistics and Defence Skills Council (LDSC) who provide strategic industry advice on workforce development needs in WA. In 2023, the LDSC reviewed the skilling priority occupation efforts and directives impacting the supply chain including industry qualifications list. LDSC will engage with the Council in early 2024 in the development of its next review.

National Freight Supply Chain Review

The National Freight and Supply Chain Strategy provides the framework to meet Australia's growing freight task, and sets a holistic, coordinated and multi-modal approach to freight and supply chains agreed by all state and territory governments.

The recent impact and increasing number of natural disasters due to climate change, the COVID-19 pandemic and geopolitical shifts have highlighted the importance of supply chains to the delivery of essential goods and services, reducing cost of living pressures and improving Australia's prosperity. Supply chains also have an important role to play in helping Australia achieve net zero by 2050.

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts is conducting the first five-year review of the Strategy on behalf of the Federal Transport Minister and in collaboration with state and territory governments.

A series of in-person and online meetings for freight industry players were conducted across the country coordinated by the <u>Australian Logistics Council</u>. The Council participated in the Perth meeting in September. It has also submitted a paper on the subject. Visit https://www.infrastructure.gov.au/department/media/news/review-national-freight-and-supply-chain-strategy-underway for more information.

Standing Work Items

The Council continues to be involved in several ongoing projects of importance. One example is the planning for the new container port in Kwinana. The Council is involved as a key stakeholder on the Westport Supply Chain Industry Reference Group advising on land access freight challenges to efficiently supply the new port and provides meaningful industry input to ensure that optimal outcomes are achieved including future proofing the port.

Other activities the Council has or continues to be involved in includes:

- The Perth Airport Community Briefing Group that provides a forum on airport planning, development and operations.
- Submission to the House of Representatives Standing Committee inquiry into the implications

of severe weather events on the national regional, rural, and remote road network.

• The State Resupply Reference Group that has been established to provide specific advice and support in relation to resupply risk management and business continuity across the State.

Other Activities

Submissions

The Council presented a number of submissions to the state and national enquiries, including:

- WA Shipping and Supply Chain Taskforce
- Review of the National Freight and Supply Chain Strategy
- 2023 Public Hearing House of Representatives

In addition to the key initiatives described above, the Council was involved on a frequent basis with non-project work including brokering outcomes, maintaining and expanding networks, investigating issues of concern to Council stakeholders, providing industry advice to Government on request and ensuring that the Council is regarded across public and private sectors as a 'go to' organisation in respect of all freight and logistics policy issues.

Branding and Communications

The Council engaged a website designer to update its website to be more attune with the Council's activities, to optimise navigation and reflect a more up to date platform. We propose the new website will be live early 2024. www.freightandlogisticscouncil.com.au



