

Welcome to the CILTA Newsletter

Renewed Interest in Very Fast Train

The Chartered Institute of Logistics and Transport has submitted a number of papers in support of a Very Fast Train between Sydney and Melbourne. The subject is not new with major studies undertaken in the late nineties. However, the option lost any real interest because of the relatively high first-in costs and a question mark in regard to adequate patronage to sustain the service.

The subject is back on the agenda with the Chief Executive Officer of the Australasian Railways Association (ARA), Bryan Nye FCILT raising the matter in the latest edition of Track and Signal.

The issue was also raised by CRC for Rail Innovation when their CEO, David George, announced that VFT technology to Australia is the main objective of the latest project approved by the CRC for Rail Innovation.

“Changes in factors such as environmental and transport policy, airport capacity issues, price of fossil fuels and transport demand make the opportunity for a VFT more attractive than ever before, particularly as an alternative to carbon-intensive air transport”, Mr. George said.

“Recently, Minister Albanese stated that long-term forecasts show that Sydney will require new airport capacity, but preliminary studies point out that the introduction of a VFT would be a more economic and environmentally-friendly alternative to increasing the number of domestic flights and the required infrastructure”, Mr. George added.

The CRC is undertaking research to establish and review the technical, contextual and institutional requirements for the introduction of a VFT. The report will be released in December 2009.

New CILTA Chief Executive Appointed

Hal Morris has been appointed to the position of Chief Executive Officer of CILTA taking up the role in mid October.

Mr. Morris has been the CEO of the Australian Logistics Council for nearly five years. During that time he has helped developed the ALC in active partnership with government and the T&L industry.

Hal Morris replaces Executive Director Len Harper who has managed CILTA in the past eight years. Len has recently taken up his newly appointed role as the International President of CILT.

Inland Rail Study – First Stage Results Released

The Australian Rail Track Corporation (ARTC) has released the results of the first stage of the Melbourne-Brisbane Inland Rail Alignment Study.

The Australian Government announced the study in March 2008 to determine the economic benefits and likely commercial success of a new standard gauge inland railway between Melbourne and Brisbane along with the potential optimum alignment.

After examining more than 50 options, the findings of the ARTC study is that the railway should follow existing rail lines from Melbourne to Albury to Cootamundra, Parkes, Narromine, Dubbo, Werris Creek and Moree to North Star (near Goondiwindi) The new construction would involve a rail section from North Star to Brisbane via Toowoomba.

Stage 2 of the Study involves the engineering, environmental and land baseline analysis. Stage 3 is the development of the preferred alignment. The full report is to be completed by the end of 2009.

Jobs NSW – From Planning to Action

The Chartered Institute of Logistics and Transport has been requested by the NSW Government to work with the Department of State and Regional Development (DSRD) in the creation of jobs in the T&L sector.

The role of CILTA is to work with government in, firstly, communicating the intention of State Government to provide “fast track investment” in opportunities which will create jobs in NSW within the next 18 months. The funding for reasonable prospects will be available through DSRD.

The Institute will work closely with Government and the T&L industry on this issue with the aim to seek out opportunities for aggregate increases of 50+ new jobs in the short term.

CILTA members are asked to advise the Executive Director on leonardharper@bigpond.com of any such opportunities. In turn, this information will be consolidated and submitted to DSRD in a structured format in order for the opportunity to be assessed.

MORE IN THIS ISSUE:

- **CILT News**
- **National Issues**
- **State Issues**
- **Overseas Experiences**
- **Conferences**

Knowledge Centre Available to CILTA Members

CILT UK has offered the use of their Knowledge Centre to members of CILTA.

The Knowledge Centre provides access to some 6000 periodicals and daily newspapers around the world along with recent research on Transport and Logistics,

CILTA is working with the UK Council to enable individual Australian members to access this breadth of information.

The cost of the separate membership of the Knowledge Centre is estimated to cost \$A85 a year for a CILTA member. The National Office has been provided access to the Knowledge Centre as a means of testing the facility.

More news in the next Newsletter, although inquiries and your comments of interest are welcome.

Business Profits and Investment to Fall in the September Quarter.

Despite a marginal improvement in sentiment, Australia's business executives remain downbeat about the local business outlook. Expectations for sales, profits, employment, inventories and capital investment all remain in negative territory indicating that further challenges lie ahead.

These findings are from the latest D&B Business Expectations Survey which shows that 43% of firms expect sales to decrease in the September quarter. These expectations reflect the poor results experienced in the March quarter when 47% of business saw a decrease in sales. Yet despite poor March quarter results and significant expectations for reduced sales the index has lifted with 19% of business anticipating an improvement in the September quarter.

Also reflecting poor March quarter results, the profits index remains in negative territory. Forty eight percent of executives anticipate that profits will decrease in the September quarter.

Along with sales and profits, capital investment is expected to remain in the negative territory with 16% of firms saying they will decrease spending in this area.

Despite the above-mentioned expectations, the Australian economy is showing signs of some recovery in the past two months. Employment in the June quarter was static at a national average of 5.2% whilst there has been the experience since early July of increasing share prices – typically an indication of an expected improvement in business performance.

Time will tell and we are still a long way from established recovery which is expected to begin to occur from the second half of 2010.

National Transport Prize

Engineers Australia's National Committee on Transport's Student Paper prize is now open to all students currently in their fourth year at University. The closing date is 31st August.

More information is available at www.engineersaustralia.org.au/studentpaperprize or Email to nctr@engineersaustralia.org.au.

Lindsay Fox on the Road Again

Lindsay Fox and Bill Kelty are on the road again to create jobs in the transport and logistics industry.

Lindsay Fox and former ACTU President Bill Kelty were first asked by the then Prime Minister, Paul Keating, after the 1991 recession to head up a travelling jobs road-show to try and convince business to provide work for the unemployed.

Likewise, Prime Minister Kevin Rudd has implored the pair to get back on the road and they have done this commencing their efforts in Dandenong, Melbourne.

The pair will target some 20 disadvantaged areas around Australia traveling from Melbourne to Sydney next.

"We got 60,000 jobs in the 90s. We were on the road for 15 months. It was probably the most rewarding experience I have had in my lifetime", Mr. Fox said.

"What we have got to do is do whatever we can to stimulate people's interest in believing that tomorrow is going to be a better Australia and they can help make it go that way" Mr. Fox added.

Rail Productivity Reform

Following the recent Council of Australian Governments (COAG) agreement to progress national rail safety regulation, the National Transport Commission (NTC) has outlined what it calls an ambitious national reform agenda for rail productivity.

NTC Chief Nick Dimopoulos said further reform is essential to ensure that rail plays its part in servicing the growing land freight task safely and in a sustainable way.

Key recommendations of NTC's Freight Rail Productivity Review include:

- Clear national objectives and policies to plan and develop the right infrastructure
- Certainty and transparency of government subsidies to rail
- Explore options for more nationally consistent rail pricing and access regulation
- Open access regulation for key strategically-located rail terminals
- Long-term pricing reform so truck charges do not unfairly disadvantage rail
- Industry led coordination of freight movements along the supply chain
- Better performance measures for rail.

The review is the result of broad consultation with the rail industry, their customers, unions and governments.

CILTA Input to ADF Strategy

The Executive Director and members of the NSW Executive recently met with the Project Leaders of the Australian Defence Force Strategy.

The ADF personnel advised that the strategy took account of ADF Logistics with a separate review being undertaken of the Defence Materiel Organisation (DMO).

ADF Logistics acknowledged that their systems of supply and distribution required serious upgrade in order to be more efficient.

The proposal was to streamline a number of the bulksome processes, combining the large number of existing activities. In the case of Storage some 24 sites would be consolidated to 7 sites. Inventory would be markedly reduced. Systems would be standardized and matched to best practice in the private and public sectors.

It was acknowledged that the biggest task would be the one of changing the culture within ADF to recognise the purpose of efficiency and effectiveness.

NSW Falcon to the Rescue

The Freight and Logistics Council of NSW (FALCONSW), in collaboration with its consultants PriceWaterhouseCoopers (PWC), has commenced a series of regional workshops aimed at discovering the supply chain priorities, industry solutions and transport infrastructure required by business in NSW.

The workshops are strongly supported by NSW Department of State and Regional Development, TALC, CILTA and a number of other freight and logistics industry and government partners.

Members are encouraged to contact Hugh McMaster at hmcmaster@talc.com.au for information.

Road Transport Charges Delayed

Truck drivers have been given a six-month reprieve with a national increase on heavy motor vehicles registration charges on hold till January 1, 2010.

NSW Roads Minister, Michael Daley said the NSW Government decided to defer the introduction of the changes until next year following consultation with the Road Freight Advisory Council.

Brisbane Opens More Busways

Brisbane continues to expand their Busway network opening the Eastern Busway on 3rd August.

The \$366 million Eastern Busway was opened along with stage one of the \$198 million Northern Busway.

Brisbane is a City showing by action and experience that faster buses at more frequent times will attract more people to travel by public transport.

Tasmanian Government Buys Rail Network for \$32 million

The Tasmanian Government will pay \$32 million to buy back all of Pacific National's Tasmanian rail operations.

Infrastructure Minister, Graeme Sturges, revealed the price in Parliament recently when he said that heads of agreement had been signed.

The government will negotiate a \$6 million sale agreement with Asciano to buy and control the ore lines and the Burnie Ship Loader. The remainder of the business assets including locomotives, rolling stock and buildings will be purchased for \$26 million by November 30, Mr. Sturges revealed.

Melbourne's Public Transport Operators Out of a Job

The Victorian State Government has dumped both its public transport operators Connex and Yarra Trams.

Metro Trains Melbourne (MTM) will take over Melbourne's suburban trains from Connex while Keolis Downer-EDI will replace Yarra Trams running the city's tram system.

MTM is backed by the Hong Kong Government while Keolis has the French Government owned rail operator SNCF as a major shareholder.

Both new operators will be offered eight-year contracts with the option of another seven years. They are expected to commence operations in December this year.

California High Speed Rail Developments

The Los Angeles County Metropolitan Transportation Authority has signaled its support for the development of the California High Speed Rail initiative and the first proposed segment that will connect Los Angeles to Anaheim.

The proposed High-Speed train system will offset the need to spend nearly \$US100 billion to build up to 4,800 kms of new freeway lanes, five airport runways and 90 departure gates over the next 20 years – all for less than half the cost.

CONFERENCES

Logistics Bureau Breakfast Seminars

The next Industry Breakfast sponsored by the Logistics Bureau will feature discussion of The Financial Crisis – A Year On with events in Melbourne on 12th August and in Sydney on 13th August.

The breakfasts are free and registrations can be made at www.logisticsbureau.com/Supply-Chain-Logistics-Seminars.htm

Attendance at these breakfasts is recommended.

AusIntermodal Conference 17-18th September

Lloyd's List DCN and Port of Brisbane Corporation are hosting the 9th Annual AusIntermodal Conference on 17 and 18thg September at the Stamford Plaza Brisbane.

Details have been forwarded to CILTA members along with the opportunity to receive a 10% discount on the Conference cost. Moreover, the early bird rate has been extended to 19th August.

Information is available at www.informa.com.au.

Cold Chain Management

The Cold Chain Management Conference will be held on 21st and 22nd September at Bayview Boulevard Sydney.

The Conference will focus on gaining strategies to develop an efficient and effective cold chain within Australia's unique climate and geography.

Speakers will include Andrew Meyers, Managing Director of Global Cold Chain Solutions, Peter Quine of Coles and Saul Resnick of DHL Supply Chain.

CILTA members are entitled to a discount of 10% on the list price. Please refer to www.iqpc.com/au/coldchain for details - or telephone 02 9223 2600 for registration.

Safe Skies Conference

The Safe Skies Conference is one that has been developed in association with our ACT/Southern NSW Section over a number of years.

The Safe Skies Conference will be held on 6th to 8th October 2009 at the Hyatt Hotel, Canberra.

Chartered Fellow Bob Warn will, once again, be assisting in the organisation of the Safe Skies event. Bob can be reached at bobwarn@actewagl.net.au for any enquiries.

The Safe Skies Conference is well worth attending.

Urban Transport World – Australia 2010

The Urban Transport World Conference will be held at the Sydney Hilton Hotel between 22nd and 26th February 2010.

CILTA Members will be entitled to a 15% discount on the list price.

Early inquiries can be made to Jerilee.abbott@terrapinn.com

LEN HARPER FCILT

Executive Director