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Submission to: National Freight Data Hub, Discussion Paper #1

Introducing Roads Australia

Roads Australia (RA) is the peak body for roads within an integrated transport system. RA has over 150 members and brings industry, government and communities together to lead the evolution of Australia's roads, integrated transport and mobility networks.

Submission

RA welcomes the opportunity to make a submission to the Department of Infrastructure, Transport, Cities, and Regional Development *National Freight Data Hub: Discussion Paper #1.*

The National Freight Data Hub has the potential to improve freight delivery efficiency and effectiveness, which aligns it strongly with RA's core purpose. The RA *Cities for the Future 2018*¹ report, on our international study visit to Japan, Korea and Singapore, highlighted the strong message for Australia that access to data for all transport modes will be essential for managing demand and delivering customer focused services across an expanding range of mode choices in the future.

The *Delivering on Freight (2019)* report² published by the then Department of Infrastructure, Regional Development and Cities, reiterates that Australia's freight system is the lifeblood of our economy and way of life. Pointing out that each year, our infrastructure operators, transport companies and logistics experts deliver about four billion tonnes of goods across Australia – equating to 163 tonnes of freight for every Australian.

RA supports the key purposes of the Hub as outlined in the discussion paper, and would place the highest importance on the objective of improving investment decisions, followed by performance management and benchmarking, and supporting operational decisions.

¹RA Cities for the Future 2018 report

https://www.roads.org.au/LinkClick.aspx?fileticket=j7u2FMiSClg%3d&portalid=3

²Delivering on Freight https://www.infrastructure.gov.au/transport/freight/files/Delivering-on-Freight.pdf

The potential benefits of implementation of the Hub are highlighted in the Austroads report on the pilot trials. Austroads³ estimates that the prospective cost savings for SMEs in the transport and logistics sector is estimated to be around \$1.63 billion against the projected \$407.5 million implementation costs of the Hub. RA believes that this potential benefit alone, at a 4 times benefit-to-cost ratio, justifies taking the proposal to the next stage of development.

Roads Australia strongly supports taking the National Freight Data Hub project to the next stage of development.

RA has long been an advocate for sensible transport reform, consequently we consider that a potential further important purpose for the Hub should be considered. As outlined in the RA submission to the 2019 Commonwealth Budget⁴, it is imperative that we move to a fairer, more efficient road pricing and investment model where road users pay according to where and when they travel.

Subject to agreed protocols being in place, National Freight Data Hub information, combined with other key data sources, such as data on vehicle movements collected by Transport Certification Australia (TCA), could be of significant use in scenario analysis for development of future road user charging and infrastructure investment models.

Roads Australia believes that National Freight Data Hub information could support the development of future road user charging and infrastructure investment models.

In the detailed design phase to be carried out over the next two years by the Department of Infrastructure, Transport, Cities, and Regional Development, RA commends the proposed strong collaborative approach involving industry, governments and other stakeholders on the freight data hub design. In the previously referenced RA *Cities for the Future 2018* report, it was also highlighted that high level national government collaboration with industry and academia informs the transport agenda for our Asian neighbours. In the report we strongly encouraged the Australian government to take the role as lead collaborator in development of long-term transport outcomes.

A key characteristic of the Japanese Government's Strategic Innovation Promotion Program (SIP) is the appointment of lead project directors from industry and academia, rather than government, which sets a very strong tone from the top in fostering collaboration. The RA delegation was extremely impressed by the genuine collaborative efforts of individual industry and university organisations who have put aside competitive constraints for the universal benefits to Japanese society and the economy.

³ iMove Australia release

https://imoveaustralia.com/news-articles/freight-and-logistics/improved-supply-chain-visibility/

⁴ Roads Australia Submission to Commonwealth Budget 2019/20 https://www.roads.org.au/Portals/3/Policy/Submissions/Roads%20Australia%20Commonwealth%20Budget%20S ubmission%202019 2020 web.pdf?ver=2019-02-15-144355-300

The Dynamic Map Platform⁵ is a key example of how a very complex, national technology system can be delivered with strong industry leadership and collaboration – in this case through establishment of a separate company involving previously competing Japanese automanufacturers and mapping service providers. Given the significant potential benefits from delivery of the Hub, and the complexity of the issues to be addressed, RA recommends that the Department should consider taking a similar approach to the SIP model in moving the Hub project development forward.

Roads Australia recommends that an innovative collaborative approach, based on the Japanese Strategic Innovation Promotion Program, should be considered for delivery of the National Freight Data Hub.

RA commends the significant efforts of all parties on the National Freight Data Hub project to date, including the cooperative trials with industry participants. We look forward to supporting the next phase of this important development for our country as it progresses.

Recommendations:

- 1. That the National Freight Data Hub project be taken to the next stage of development.
- 2. That National Freight Data Hub information should support the development of future road user charging and infrastructure investment models.
- 3. That an innovative collaborative approach, based on the Japanese Strategic Innovation Promotion Program, should be considered for delivery of the National Freight Data Hub.

For more information about this submission please contact Michael Kilgariff at michael@roads.org.au or 03 9821 5255.

Yours sincerely

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⁵ Government of Japan release https://www.gov-online.go.jp/eng/publicity/book/hli/html/201801/201801 04 en.html