



AUSTRALIAN LOGISTICS COUNCIL

Chairman's Address to the 2006 Annual Forum

It is again my distinct privilege to address you as Chairman at our 2006 forum. In this past year, we continued our evolution and acceptance as an acknowledged partnership between Australian Governments and senior leaders in the transport and logistics sector – which now includes logistics users, peak bodies, Freight Councils, government regulators, and academics.

In so doing – we sought to provide leadership and advice in implementing the Australian Logistics Industry Strategy (ALIS), improve the image and profile of the T&L industry, and achieve tangible, measurable actions of agreed ALC objectives.

2005 saw the appointment of a full-time Executive Director, independent office and Secretariat. Funding from the Commonwealth Government via DOTARS was of enormous assistance. We are delighted to report that ALC Members, particularly industry, matched as required, this support.

At the Forum last year, I talked about the following – the looming crisis of the industry, with 9% of GDP under threat – the speed of growth – doubling (faster than GDP) in 15 years – the skills and labour shortage – the need for safety priority with the past poor safety record of T&L – fragmentation of the logistics task – Position Statements focusing on interlinked areas to achieve greater efficiency in delivery – relating to infrastructure, people and regulation – all were stated!

I list a few 2005 highlights! Full details of the scorecard are stated in the ALC Annual Report for

2005 which is available in your satchel today.

- **Infrastructure** – research was undertaken and what is now known as the Powell report was completed – this confirmed the ALC as having an important voice in engaging with governments in setting national logistics priorities. We have a vital 2-hour session today to take these findings further.



- **Career Expos** – these were started in some states and were successful in terms of level of interest and attendance – the greatest learning curve was understanding how to go about it collectively – we now have a national roll out in 2006.
- **Safety** – the basis of a national Summit has been established, to be held later this year – in addition, work on a National Retail Code of Practice is underway.
- **National Research Roundtable** – an extensive group of representative academics led by Professor Rod Troutbeck was held in November; the basis of the meeting was to evoke collaboration amongst Australian Universities with regard to the development of curriculum in transport and logistics to reflect changing industry needs.
- **A States Working Group (SWG)** – was established. Two meetings have been held to ensure a high level of cooperation and understanding exists between State-based Freight Councils and the ALC – in addition we have undertaken a series of Decision Makers Dinners around Australia to enhance the concept that the ALC is national, independent and not “east coast centric”
- **Innovation** – research, case studies, and their resultant booklet and guidelines was published (copies are available today). It is interesting to note DOTARS intend to use the information contained therein in an APEC meeting in Vietnam in May this year, similarly some of the case studies are of interest for the proposed trade liberalisation talks in Beijing in April between Australian and Chinese Governments and business communities.

However, there is more to be done – logistics is difficult, hard to handle, it does not fit neatly into the way business, peak bodies, and governments work. There is a major shift in the way we do things in this vital sector of the economy.

We can't just assume it's the “flavour of the month” and blithely move on to extensions of the theme in terms of value chain and supply chain without embracing what logistics is all about and working through the implications.

Compare the Tourism Industry of 15 years ago, it was a disparate group of agencies which have now evolved as a significant income earner “Where the bloody hell are you?” certainly has focused attention on this sector.



AUSTRALIAN LOGISTICS COUNCIL

So what do we need from 2006?

1. A scoreboard of agreed objectives for our 2006 platform must emanate from this Forum.
2. A renewal of support from Federal and State Governments, peak bodies, and related logistics bodies – we thank them for their support and contribution over the past year.
3. From you – our Members and Supporters – your personal commitment and financial support – please get involved and be part of the solution not the problem – please debate the national agenda and don't leave today with a burning issue unsaid.

In conclusion, can I state my sincerest thanks to Hal and Jessica, our Secretariat, to the Executive Committee, the Steering and Working Groups, and ALC Members generally for their dedication, support, and commitment during this past year.

Finally, I note the words of Roger Corbett this week, he stated “the best is yet to come” – as you all know, both Woolworths and Coles Myer are undergoing significant improvements to their businesses through supply chain efficiencies. I believe that catch-cry ‘the best is yet to come’ applies to the ALC.

Please help us to make that a reality in 2006!

Ivan F. Backman

3 March 2006