

[View this email in your browser](#)



### May Newsletter

## A word from the CEO

The COVID-19 crisis has highlighted just how important freight, logistics and efficient supply chains are to the Australian economy. The sector currently accounts for 8.6 percent of national GDP and employs approximately [74,000 people in Queensland](#). Most of these jobs have been retained during the crisis and the sector has been quietly getting on with business as usual. Additional trains were scheduled to deliver vital products into northern Queensland supermarkets stripped due to panic buying. Truck drivers accommodated border check delays. Shippers managed a higher volume of empty sailing.

With the initial panic subsiding and lockdown slowly easing the next step will be managing the economic downturn the pandemic has caused.

Before we start to think about the future, I wanted to take a moment to recognise the valuable contribution the freight sector has made keeping the economy moving during difficult times. I think it is also worth mentioning some of the vital work undertaken by industry bodies and the government in facilitating solutions to most of the problems thrown up by the pandemic.

The [QTA](#) should be applauded for their fast actions providing vital information, developing a useful COVID-19 hygiene awareness safety plan, and facilitating the road industry's input into the government's response. Maritime Safety Queensland swiftly resolved issues with conflicting advice in the early stages of the pandemic and managed to maintain the safe flow of cargo into and out of Queensland. The ports remained safely open and functioning.

Coronavirus virtually shutdown the air freight industry overnight cutting vital services for Queensland's high value agricultural and seafood products. The majority of Queensland's live seafood trade travels to China by plane. The cost of airfreight skyrocketed, and producers weighed up alternative options. The speed with which the issues were resolved was impressive. Industry collaborated to provide accurate demand forecast and the Australian Government establishing a \$110 million initiative the International Freight Assistance Mechanism (IFAM) which helped exporters get their high-quality products into key overseas markets.

The Queensland Government also stepped up to the plate and opened a line of communication with industry and the collaboration has been powerful. The government committed \$6 billion in funding for COVID-19 support initiatives and there are a number of new grants that businesses can apply for to see them through. [Business Queensland website](#) has all the details. In addition, [Queensland heavy vehicle registration](#) fees have been frozen until 30 June 2021.

#### What next?

The next stage is perhaps even more difficult, when to open the economy back up and how to manage the recovery.

It is clear all levels of government believe an infrastructure-led recovery is a pathway back for Australia. In his interview with [Roads and Infrastructure Australia](#) Minister McCormack spoke about the \$100 billion infrastructure investment program and the government's commitment to fast-tracking spending on maintenance and other "shovel ready" projects. A Regional Support package has been announced to assist local governments to deliver maintenance and other work.

Progress on Inland Rail continues despite unrest in the National Coalition with Minister Littleproud calling for an [independent assessment](#) and resolution to producer concerns. Australian Rail Track Corporation has tried to persuade Millmerran Producer group leader Wes Judd on at least 67 occasions that the engineering stacks up and the rail line must go across the floodplain, to no effect. The corrosive public spat does not have a simple solution and will continue to dog the project. This demonstrates the care needed for managing public expectations on large-scale greenfield projects.

Renata Berglas  
CEO Queensland Transport and Logistics Council

## Supply Chain News



All aspects of the supply chain have been impacted by COVID-19. Slowing economy, changing consumer buying patterns, diversified input sources - a challenging logistics environment all round. Household retail brands like Target are in trouble. Wesfarmers announced it [will repurpose 92 of its Target stores](#) to become Kmart and shut 75 others. Target's unsustainable cost base hastened the decision flagged in full year [results August 2019](#) before the Coronavirus struck. Potentially this is only one of many brands that may not last the isolation freeze.

Exporters are looking for other opportunities as [China flexes its muscle](#) and shakes Australia's confidence in our largest trading partner. The world has changed, and a period of adjustment predicted to be far greater than the impact of 2008 Global Financial Crisis will impact the global economy. Crisis drives innovation and I'm sure we will innovate our way through COVID-19.

## Interesting reads



#### NTI Major Accident Investigation Report

[NTI and NTARC Major Accident Investigation Report 2020](#) highlights the importance of managing distraction and fatigue. Incidents caused by driver inattention and distraction increased significantly in 2019 up to 39% of all major incidents. Younger drivers 25 years or less make up only a small portion of truck drivers overall but are over-represented in large loss claims resulting from inattention.

#### How can we address the issue of distraction?

Queensland Government has announced \$1000 fines and 4 demerit points if drivers are caught using their mobile phone. We will have to wait and see how effective this is. In addition, fatigue monitoring equipment and in-cab surveillance is growing in popularity. We might need to wait for next year's update to understand the impact of these policies and changes in the market.



#### Traffic Report

Weekday traffic volumes are 20% lower and weekend traffic is 23% lower in SEQ compared to 2019 weekly Department of Transport and Main Roads data for 7 May - 20 May. [BITRE reports](#) there were 75 deaths on the road in April 2020. This is a 25 percent reduction on the five-year average.

[Transurban](#) is concerned that the growing preference to work from home will have a serious impact on its toll road revenue. Balancing this decline in personal vehicles is the increase in home deliveries, but the company is holding back on making market predictions for the future when Australia opens back up for business.

Children head back to school today and many people will return to their office in the city destroying the peace truck drivers have enjoyed. Many experts have predicted a spike in traffic as commuters decide its safer to drive to work than use crowded public transport.

At least the grey nomads will remain at home for a while longer as Queensland decides to keep its borders closed potentially until September.

## Final Thoughts



Finally COVID-19 has led to a number of innovations and a switch to technology many of us previously avoided. Zoom meetings have become commonplace. People have developed a level of digital confidence and accepted the occasional drop-out, mishaps or user error. Crisis often brings out the best in us and there are many examples of human kindness. Crisis, also fosters ingenuity and one of my favorite inventions to come out of the crisis is the lift foot pedal installed in a Bangkok shopping mall - no doubt set to take over the world. Worth a look. <https://www.youtube.com/watch?v=qwWmaK65yQ>



Copyright © 2019 Queensland Transport and Logistics Council, all rights reserved.

Our mailing address is:  
Queensland Transport and Logistics Council  
1 Eagle Street, Brisbane, QLD 4000

Want to change how you receive these emails?  
You can [update your preferences](#) or [unsubscribe from this list](#).

