

SUPPLY CHAINS

BY THE NUMBERS

THE FREIGHT AND LOGISTICS INDUSTRY EMPLOYS AROUND



1.2 MILLION PEOPLE

<http://austlogistics.com.au/wp-content/uploads/2014/07/Economic-Significance-of-the-Australian-Logistics-Industry-FINAL.pdf>

THE TOTAL VOLUME OF AUSTRALIAN AIR FREIGHT IS **1.1 MILLION METRIC TONNES**, EQUATING TO A VALUE OF



\$110 BILLION

<https://infrastructure.org.au/wp-content/uploads/2019/03/2019-International-Airfreight-Indicator-digital.pdf>

FROM 1990 - 2018 TOTAL ROAD FREIGHT

INCREASED FROM 90 BILLION TONNE KILOMETRES (TKM) TO

215 BILLION TKM

<https://www.ntc.gov.au/sites/default/files/whomoveswhatwherereport.pdf>



A **1% IMPROVEMENT** IN THE EFFICIENCY OF THE FREIGHT SECTOR GENERATES

\$2 BILLION

OF GAINS TO THE ECONOMY EACH YEAR.

<http://austlogistics.com.au/wp-content/uploads/2014/07/Economic-Significance-of-the-Australian-Logistics-Industry-FINAL.pdf>

FROM 2011 - 2016 TOTAL RAIL FREIGHT INCREASED FROM 290 BILLION TONNE KILOMETRES (TKM) TO

413 BILLION TKM

<https://www.ntc.gov.au/sites/default/files/whomoveswhatwherereport.pdf>



THE FREIGHT LOGISTICS SECTOR REPRESENTS

8.6% OF GDP

ADDING **\$131.6 BILLION**

TO AUSTRALIA'S ECONOMY IN 2013.

<http://austlogistics.com.au/wp-content/uploads/2014/07/Economic-Significance-of-the-Australian-Logistics-Industry-FINAL.pdf>



FREIGHT AND NATIONAL WELFARE

IF ROAD AND RAIL FREIGHT PRODUCTIVITY **↑ 0.5%** EACH YEAR FOR **10 YEARS**

NATIONAL WELFARE* **↑ \$485 MILLION** EACH YEAR

GDP **↑ \$1970 MILLION** IN 10 YEARS

CONSUMPTION EACH YEAR **↑ \$1585 MILLION**

PLUS WINS FOR AGRICULTURE, FORESTRY, FISHING AND OTHER MINING.

IF **↓** IMPORT/EXPORT COSTS SAVE THE FREIGHT SECTOR **\$215 MILLION** OVER 5 YEARS

NATIONAL WELFARE* **↑ \$54 MILLION** EACH YEAR

GDP **↑ \$160 MILLION** IN 10 YEARS

CONSUMPTION AND INVESTMENT LEVELS WOULD **RISE** AFTER AN INITIAL FALL.



BUT ADDITIONAL RESTRICTIONS ARE PLACED ON OUR PORTS AND **IF...** FREIGHT COSTS **↑ \$94 MILLION**

NATIONAL WELFARE* **↓ \$50 MILLION** EACH YEAR

GDP **↓ \$140 MILLION** IN 10 YEARS

CONSUMPTION WOULD **FALL** AFTER AN INITIAL RISE.

WEAK LABOUR MARKET, FALLING WAGES AND EMPLOYMENT AND A RAISE IN FOREIGN LIABILITIES.

* NATIONAL WELFARE IS MEASURED AS THE ANNUALISED CUMULATIVE CHANGE IN CONSUMPTION, LESS ANY INCREASE IN NET FOREIGN LIABILITIES IN THE FINAL YEAR OF SIMULATION.

Source: Stylised scenarios concerning key freight hubs and ports, plus improved transport links in remote Australia, July 2019, Victoria University