



## **SARTA Comments on the Four Draft HVNL Standards Documents Released by NTC**

On 31 October, the NTC released four draft Standards proposed to be implemented under the HVNL for consultation with industry. Those draft Standards are:

- Safety Management System (SMS) Standard
- Ministerial Guidelines for Heavy Vehicle Accreditation
- NHVR's National Audit Standard (NAS)
- Ministerial Standard for Alternative Compliance Hours

The South Australian Road Transport Association (SARTA) makes the following general and detailed comments on each of those draft Standards.

To facilitate reading we have set out at the beginning of this submission, our general comments on each of the draft Standards.

Those general comments and the associated detailed comments on each draft Standard are then set out on the following pages.

## **GENERAL COMMENTS On each of the 4 Standards**

It is interesting and concerning that this massive new raft of requirements will only apply to a small portion of the 54,000 trucking businesses in Australia. Just 3390 or so are BFM accredited and perhaps another 200 are AFM accredited and 57,158 HVs are registered for Mass Management. At best these reforms will effect change in under 20% of the industry.

This begs the question whether the enormous effort in pursuing change/improvement in less than 20% of the industry, almost all of whom already operate at a higher and safer level than the other 80%, is warranted. It will also act as a disincentive for many in accreditation to stay accredited.

### **1. Ministerial Guidelines for HV Accreditation**

#### **General Comments:**

1. The absence of mention of Maintenance Management stands out and needs to be explained. What is happening to NHVAS Maintenance Management?
2. Can NHVR guarantee that it can meet the requirement under Part 2, 5 (4) (a) that initial compliance audits will be held between 6 and 7 months after initial accreditation, given the vast number of BFM accredited operators who will be required to transition? If not then that Standard needs to be amended.
3. This Guideline ought refer to the maximum 2 year term of accreditation.
4. How is an operator supposed to provide evidence that somebody with fatigue responsibilities is competent? As written in Schedule 1 section 4.2 this will cause confusion and uncertainty.
5. Refresher Training is referred to as an expectation in the Guidelines. Why is this set out as a ***routine*** expectation rather than as something that ought be done as and when necessary? To require ongoing refresher training of all personnel with responsibilities under an accreditation is absurd, unnecessary and utterly impractical in the vast majority of operations, particularly in Small to Medium Enterprises (SME) that are typically family owned and run. It would be the fastest way to drive good people out of those jobs.

### **2. Ministerial Standard for Alternative Compliance Hours**

#### **General Comments:**

The proposed ACH Standard is reasonable and workable but there are several key points that need to be corrected:

1. The ACH Standard **MUST** comply and be consistent with the HVNL and thus it must refer to a **Relevant 24-hour Period**, not to “any” 24-hr period; and
2. It’s essential to allow the Regulator some flexibility to accommodate established and proven existing approved hours limits. For example numerous AFM programs provide, for good fatigue management reasons, for a minimum of at least a 6 hr continuous rest within the relevant 24 hour period but no more than once per week. This proven measure exists to guard against a driver who’s been delayed on the road and who will

run out of time to commence their next 7 hour sleep rest just an hour from their homebase. The rigid application of a minimum of 7 hour continuous within a relevant 24 hr period would force them to sleep in their truck just an hour from home, preventing them from accessing a better and long sleep at home. They still have a long sleep rest break that typically exceeds the 7 hour minimum but only the first 6 hours of that fall within the relevant 24 hr period.

3. In addition the ACH Standard must provide for continuation of the use of a minimum of 5 continuous hours rest in a Relevant 24 hour period for 2Up drivers.
4. The RCS Matrix needs correction as noted below.

### 3. **SMS Standard**

#### **General Comments:**

1. Have the various WHS agencies ALL been consulted on the approach and content of the Draft SMS Standard and have they all endorsed it?
2. IF NOT, then how can the HVNL impose an SMS that is at odds with WHS agencies' approach and requirements which will expose HV operators to legal action under WHS law even though their SMS complies with the HVNL?
3. It is not sufficient to assume that WHS agencies will not look at safety matters involving HV operations simply because those operations fall under the HVNL. The industry and we think the NHVR, needs certainty either in the form of:
  1. Legislation prohibiting WHS agencies from engaging in matters involving HV operations, which is most unlikely; or
  2. The SMS standard must be run past the various WHS agencies, in **all** jurisdictions to ensure the SMS standard does not generate conflicts of policy or practice with WHS agencies;
4. This standard is far too theoretical/academic, complex and over-engineered for the vast bulk of the industry, the SME operators. This is especially so for the thousands of current BFM operators who will have to transition to this regime, just to retain their 14 hrs of work in a Relevant 24 hr period. They will find it:
  1. Utterly befuddling;
  2. Impossible to understand; and
  3. Impossible to implement on their own.
    - a. That will raise the risk of those operators purchasing generic SMS programs that are not tailored to their activities, thus defeating the purpose of this reform;
5. It will not be good enough nor will it be acceptable to simply rely upon the vague notion of the Regulator having to consider scalability when assessing a SME operator's SMS. The SMS standard must be written in clear recognition of the serious and real constraints on the administration capacity and capabilities of SME HV operations.
  1. Perhaps it should be rewritten at the level suitable for SME and then insert the additional higher-level expectation for large operators, defined not by their fleet size but by the levels of management within their organisation.
  2. The point is that much of the need for the various requirements of the SMS stems from the fact that in the larger businesses the owners/directors have

limited if any direct contact with those working at the coalface, necessitating greater and more formalised monitoring and reporting etc.

3. The SMS, if it is to succeed, MUST adequately account for this reality.
6. The NHVR will have to do an astoundingly good job of providing truly effective and useful guidance and templates etc;
7. The SMS document fails to define “Public Risk” and assumes that operators who need to use this document will know what the term means.
8. The expectation created in the document is that operators will identify and assess ALL Public Risks. Taken literally, as one reasonably might given the drafting, that is an extraordinarily long list and this expectation is unnecessary, unhelpful and completely impractical.
  - i. The Mass Limits, including HML, effectively deal with the principle Public Risk of damage to infrastructure. So operators ought not be expected to identify and assess those risks per se, yet the document creates that expectation.
  - ii. Similarly the Fatigue Management Work and Rest limits and rules identify and manage the core fatigue related risk.
  - iii. So the SMS should make clear that the operator has to **identify any particular additional risk that can arise from their specific activities**, such as:
    - a. Re Mass: going off approved HML routes; or
    - b. Re Fatigue: exceeding Work and/or Rest limits under their schedules.
9. As a general point, there are numerous instances and issues in the SMS Standard that beg the question “How long is the piece of SMS string?”
10. The whole document is too absolute and blunt when it should in most cases say “where appropriate” or “as and when needed” or other such qualifying statements that make clear that the SMS does not, as it must not, apply absolutely rigidly to every circumstance but rather “as far as reasonably practicable” as the legal test requires.
11. The references to “without fear of reprisals” and “protection from reprisal” must be removed completely from this SMS and be replaced with practical and appropriate wording that makes clear that people are encouraged to raise genuine and legitimate safety concerns etc.
12. Requiring parties to prove that certain things did not happen is ridiculous.
  1. How can anybody realistically prove such things did not happen?
  2. The requirement to prove that there are no reprisals for raising safety issues for example is naïve and unachievable and it should be removed in every instance and replaced with a sensible requirement, such as proving that policies and practices are in place to encourage individuals to raise concerns.
  3. Of course if concerns are raised and recorded there will be proof of that but if no concerns are raised in a given period, there will not be.

13. The concept of Continuous Improvement may have its place elsewhere but not within a SMS for the HV road freight industry:
1. It's a concept popular with consultants and theorists but its is not reasonable to expect that there will "continual/continuous improvement" in a HV operators' systems, procedures and SMS and it most certainly should not be a mandatory requirement or expectation;
  2. What should apply is a requirement that an operator's systems practices and SMS meet the legislated minimum requirements and if they do then that is sufficient. Whether or not those systems practices and SMS are somehow better than they were the day, month or year before is irrelevant, so long as they continue to meet the minimum standards.
  3. It is essential for the practicality of the SMS standards, especially for the vast bulk of the HV freight sector, that the idealistic concept of "continuous improvement" be **replaced throughout** with a requirement to "make **improvements where necessary** to ensure that an operator's policies, practices and SMS meet the legislated standards, NOT just improvement for the sake of it;
  4. Auditors will seek out proof of "continuous improvement" actually happening if the concept is left in the SMS Standard and that will become farcical;
  5. If the view of officials/agencies is that **improvements where necessary** is what is intended **then say that and don't use nebulous misleading niceties like continuous improvement.**
14. We should drop the pretence of "beliefs and values" That is an idealistic notion which is neither essential nor realistic, particularly across the tens of thousands of SME HV freight businesses. The SMS for the trucking industry is NOT the place to attempt to impose the corporate mantra's and ivory tower philosophies of men in white shoes or black tee shirts spruiking corporate culture!
15. Instead we should focus on actions. What matters is that people understand and comply with appropriate and effective safety procedures and practices regardless of whether or not their share the beliefs and values.

#### 4. National Audit Standard

##### General Comments:

As with the SMS document the NAS appears to be written primarily with the larger corporate HV operators in mind and as such is over-engineered for use with SME Freight operations.

It also needs correction. The 2nd dot point in 1.1 Purpose states, incorrectly, that “all operators, regardless of size, must effectively implement SMS elements. That is NOT true if an operator merely operates under the HVNL and does not avail itself of any of the accreditation programs and options.

The drafting of the document seems to suggest that under the HVNL NAS, audits undertaken under other frameworks and which address all of the issues set out in the NAS, will **not** be accepted for the purposes of the NAS. This perception was confirmed in online consultation with the NTC and the NHVR on 18<sup>th</sup> November. This is unacceptable. The industry has long sought, with the support of the NHVR, to reduce if not eliminate duplication of audits that cover the same issues and standards.

The NHVR’s expressed view on the 18<sup>th</sup> Nov that the NHVR NAS audit is mandatory and other non-NHVR audits will not be accepted, appeared to be driven as much by the NHVR’s desire to ease its own management and administrative burden by having the NHVRAS auditors complete and report on their audits using the NAS audit report template and ultimately entered through the online NAS Audit reporting system. That runs contrary to all the discussions between the NHVR and industry for some 10 years about the need to minimise the wasteful burden of duplication of audits.

There is a glaring need to define/explain the term “public risks” throughout the structure of the 4 new Standards Documents.

The construct of “continuous improvement” should be dumped as being largely meaningless and esoteric. It’s use as a term is popular with consultants and strategic planners but its largely motherhood. The focus should be on **ensuring that the requirements of the HVNL and an operator’s SMS are met and that where necessary any corrections/improvements are made.** Not that improvement is required continuously merely for the sake of it. Just because something could be made even better does not mean that it’s reasonable to expect it if the existing arrangements meet the required standards.

This needs to **expressly provide that electronic records are acceptable** as the industry is increasingly transitioning to paperless systems and it’s unnecessary and unacceptable for auditors to insist on paper records, including for example a signed workshop hardcopy docket confirming that a fault has been repaired.

## DETAILED COMMENTS On each of the 4 Standards

### 1. Ministerial Guidelines for HV Accreditation

#### a. General Comments:

- i. The absence of mention of Maintenance Management stands out and needs to be explained. What is happening to NHVAS Maintenance Management?
- ii. Can NHVR guarantee that it can meet the requirement under Part 2, 5 (4) (a) that initial compliance audits will be held between 6 and 7 months after initial accreditation, given the vast number of BFM accredited operators who will be required to transition? If not then that Standard needs to be amended.
- iii. This Guideline ought refer to the maximum 2 year term of accreditation.
- iv. How is an operator supposed to provide evidence that somebody with fatigue responsibilities is competent? As written in Schedule 1 section 4.2 this will cause confusion and uncertainty.
- v. Refresher Training is referred to as an expectation in the Guidelines. Why is this set out as a ***routine*** expectation rather than as something that ought be done as and when necessary? To require ongoing refresher training of all personnel with responsibilities under an accreditation is absurd, unnecessary and utterly impractical in the vast majority of operations, particularly in Small to Medium Enterprises (SME) that are typically family owned and run. It would be the fastest way to drive good people out of those jobs.

#### b. Definitions:

- i. ACHI:
  1. Insert “accreditation” before “amendment”
  2. Replace “the Law” with “the Act” throughout document.
- ii. Compliance History:
  1. Delete “alleged or” from first line. This is unacceptable as many alleged non-compliance, including the plethora of SafetyCam matters, are dismissed, withdrawn in Court or administratively. **Only confirmed non-compliance should be included in the Compliance History.**
- iii. Notifiable Occurrences:
  1. Delete “or could have” as this is impractical because it ropes in any near miss events on the road and numerous other one-off human errors that might happen at any point in the logistics chain that “could have caused damage, injury, death.”
- iv. Safety Case:
  1. The term risk “thresholds” begs a question as to what those thresholds are. They are not defined or referred to in the Risk Classification Matrix, so this is confusing.

- v. Safety Management System:
  - 1. Delete “relating to” and insert “designed to ensure” as relating to is far too broad.
- c. Part 2: Accreditation Applications:
  - i. 4 (3): saying the Regulator must apply Schedule 1 proportionately to the “size and complexity” is concerning. Whilst the principle is right, it needs to be understood that the “size” of the operator’s transport activities, which is likely to be judged by their fleet size, is not the most relevant approach. The Regulator and officials need to understand that even an operator with a fleet of say 35 trucks will almost certainly only have a very flat management structure with just 2 or 3 people in the office. Hence it’s the **size and complexity of their management structure** rather than their fleet that the Regulator should assess when applying Schedule 1 proportionately.
  - ii. 5 (1): What do the words “sufficient documentary evidence to demonstrate compliance with the Act” actually mean? Why not say the Regulator must be satisfied that “the applicant has an acceptable Compliance History”, which is defined in this Standard?
  - iii. 5 (3) (c): delete “record compliance and” and insert “identify, record and resolve”.
  - iv. 5 (4) (b):
    - 1. insert “at a time nominated by the applicant” after “a second audit”
    - 2. what does “**within** nine months prior to expiry” mean and how is it different from the between 9 and 1 month **prior** to expiry timeframe in 5 (4) (c)?
    - 3. this provision could lead to an operator having to undergo 3 audits within 15 months, which seems excessive.
    - 4. This provision should NOT apply to currently accredited operators when transitioning to the new SMS regime.
  - v. 6 (1) (b):
    - 1. replace “or” with “and” in first line because only operators with trucks will be accredited.
  - vi. 6 (2) (c):
    - 1. Replace “confidence” with “any valid reason not to be confident”
  - vii. 6 (2) (d):
    - 1. Insert “and the applicant’s responses to” after “results of”.
  - viii. 6 (2) (e):
    - 1. What is a “relevant body of fatigue knowledge” and why is this referred to? If it’s not part of the Standards why would NHVR have regard to it when considering approving “an operator’s suitability”?
  - ix. 6 (4):
    - 1. Why are all the other valid business entities, including an ABN business, not included rather than just “an individual and a registered corporation? Delete the word “registered” as its redundant.
  - x. 8 (2) (c):
    - 1. Insert “operator’s response to” between “any” and “nonconformance”



- xi. 8A
  - 1. This section should refer to reactivation of a suspended accreditation.
  - 2. Where is the section setting out criteria and process for cancellation of accreditation?
- xii. 8A (1) (b):
  - 1. Insert “serious and systemic” between “cancelled due to” and “noncompliance”
  - 2. Insert “and the Regulator is not satisfied the operator has implemented appropriate remedial procedures/practices” before “the applicant must demonstrate at least 12 months free of relevant breaches before reapplying.
  - 3. If an operator is seriously noncompliant, surely the focus should be on fixing that by keeping them in accreditation and ensuring their compliance, rather than banishing them for 12 months!
- xiii. 8A (1) (d):
  - 1. What is the policy objective of making an applicant who’s been refused accreditation wait 6 months before reapplying? How does that improve safety on the road? Why not allow them to address whatever it was that resulted in the refusal and get them inside the safety and accreditation tent?
- xiv. 9:
  - 1. Add “and the impact of the sanctions on the operator” at the end of the sentence.
- d. Part 3 Transition:
  - i. 18 (2):
    - 1. Add “and that no operator’s accreditation lapses during the transition period” at the end of the sentence.
- e. Schedule 1:
  - i. Part 1 Evidence Expectations:
    - 1. What is meant/expected by “communication of fatigue accreditation requirements” to drivers etc?
    - 2. Perhaps insert “that are relevant to” before “drivers, schedulers ...”
  - ii. Part 2 Leadership and Commitment: Evidence Expectations:
    - 1. Last dot point “Driver Welfare Communication Logs” implies a requirement to make driver welfare calls, including overnight given last dot point in the Examples of Evidence. This is impractical for Small to Medium Enterprises (SME)
  - iii. 2.2 ACH Compliance Assurance
    - 1. First example of evidence says that Accreditation Certificates are “available” to drivers and schedulers. Either this is an error and should read “provided to...” or the current requirement is being weakened.
    - 2. Decision Rule: this says the Regulator must be satisfied that “breaches are addressed promptly” and yet the SafetyCam system is typically 9 to 10 months behind. So this seems a double standard.
      - a. Its also problematic because as most operators check a % of Work Diary breaches only, they may in fact not spot a particular breach.

- b. So perhaps insert “identified” before “breaches are addressed promptly”.
- iv. Part 3 Risk Management: Evidence Expectations:
  - 1. The first dot point is absurd and should be simplified. The RCS tool does the work here and instead of confusing operators with the current wording saying they must “identify fatigue risks, cumulative fatigue and circadian effects” etc this dot point should simply say “assess the fatigue risks using the RCS”
- v. 3.2 Specialist Advice and Referral Evidence Expectations
  - 1. Insert “any fatigue specialist” before “advice received and acted upon”
  - 2. Decision Rule, add “under Section 17 of these Guidelines” at the end of the sentence.
- vi. 3.3 Scheduling and Rostering: Decision Rule
  - 1. Replace “to minimise” with “to safely balance the” and insert “and the task” between “risk” and “and”.
- vii. Part 4 People:
  - 1. Evidence Expectations third dot point:
    - a. Delete “inquiring into a driver’s prior disciplinary history or fatigue or fitness for duty breaches” as that is unlawful and its not good enough to put in brackets (where lawfully available) because that will dangerously mislead operators who don’t know the IR law.
  - 2. Examples of Evidence:
    - a. Also delete the references to “disciplinary ....” In the 2<sup>nd</sup> and 3<sup>rd</sup> dot points
    - b. 6<sup>th</sup> dot point: the text “and supervisor/peer checks” is utterly impractical for SME operators
  - 3. Decision Rule:
    - a. Add “as far as reasonably practicable” at the end of first dot point.
    - b. Delete ref to disciplinary history etc in second dot point.
  - 4. 4.2 Training and Competence Evidence Expectations:
    - a. How is an operator supposed to provide evidence that somebody with fatigue responsibilities is competent? As written this will cause confusion and uncertainty.
    - b. Examples of Evidence:
      - i. Why is refresher training set out as a routine expectation rather than as something that ought be done as and when necessary? To require ongoing refresher training of personnel with responsibilities under an accreditation is absurd, unnecessary and utterly impractical in the vast majority of operations. It would be the fastest way to driver good people out of those jobs

## 2. Ministerial Standard for Alternative Compliance Hours

### General Comments:

The proposed ACH Standard is reasonable and workable but there are several key points that need to be corrected:

1. The ACH Standard **MUST** comply and be consistent with the HVNL and this it must refer to a **Relevant 24-hour Period**, not to “any” 24-hr period;
2. It’s essential to allow the Regulator some flexibility to accommodate established and proven existing approved hours limits. For example numerous AFM programs provide, for good fatigue management reasons, for a minimum of at least a 6 hr continuous rest within the relevant 24 hour period but no more than once per week. This proven measure exists to guard against a driver who’s been delayed on the road and who will run out of time to commence their next 7 hour sleep rest just an hour from their homebase. The rigid application of a minimum of 7 hour continuous within a relevant 24 hr period would force them to sleep in their truck just an hour from home, preventing them from accessing a better and long sleep at home. They still have a long sleep rest break that typically exceeds the 7 hour minimum but only the first 6 hours of that fall within the relevant 24 hr period.
3. In addition the ACH Standard must provide for continuation of the use of a minimum of 5 continuous hours rest in a Relevant 24 hour period for 2Up drivers.
4. The RCS Matrix needs correction as noted below.

### Detailed comments:

- a. 4 a): Assessing Fatigue Risks
  - i. Insert “**relevant**” after “any” in the first sentence. The HVNL operates on counting work and rest within a Relevant 24 hour period, NOT any 24 hr period. This is established in section 247 of the Act. Failure to make this correction would create havoc throughout the industry and there is absolutely no justification for reverting to the Any 24 Hr period approach.
  - ii. Insert “routinely” between “not” and “work”
  - iii. Replace “7 continuous” with “6 continuous”. A number of existing approved AFM programs provide for a minimum of 6 continuous hrs rest once a week.
    1. This is to avoid a driver who has been on a long trip (such as Adelaide-Perth return for 4 to 5 days) having to stop when they are just 1 hour from their home, to ensure they can complete a 7 hr sleep rest within the relevant 24 hr period.
    2. So long as they do not exceed their maximum work hours in a relevant 24 hr period, they can continue driving to get home provided they achieve at least 6 continuous hours of their sleep rest within the relevant 24 hr period. Of course that will be the first 6 hours of a much longer rest at home.

3. The current drafting of the Standard would prohibit this valuable and proven fatigue management benefit.
  4. In addition the ACH Standard must provide for continuation of the use of a minimum of 5 continuous hours rest in a Relevant 24 hour period for 2Up drivers.
- b. 4 b) Split Rest Breaks: dot point ii):
    - i. How would a driver prove they only utilised the Split Rest in the circumstances described here?
  - c. 4 b) Split Rest Breaks: dot point v):
    - i. To be helpful this should say that the split rest must include one rest of at least 5 continuous Hrs with a total of at least 8 hours across the two rest breaks.
  - d. Attachment 1: RCS
    - i. Assessment:
      1. This section fails to explain how the operators should use and apply the RCS scores.
    - ii. RSC Matrix: The table is confusing and appears to contain significant errors:
      1. Row 1: The description of the Principle is clearly wrong. It says "Reduce the time spent continuously working in the WO". That clearly refers to the maximum period of continuous work without a rest break.
        - a. Yet that fails to align with the content of that row in each of the columns because for example working for 6 hrs continuously without a rest would constitute 35% of a 17 hr WO, so the score in the table would be "0" in column 1, whereas working for only 1 hr 40 minutes without a rest would constitute 6% of a 17 hr WO and hence fall into the right hand column headed "High fatigue likelihood" with a score of "3"
        - b. It seems obvious that the wording in the left hand column should be "**Maximise** the time **resting** in the WO" and the row becomes one of assessing how much of the WO is spent resting and the higher the percentage (eg >20% in the second column) the lower the fatigue risk score.
      2. Row 4 Maximise Adequate Night Sleep:
        - a. This is inconsistent with the longstanding legislated requirement for Night Rests, which are defined as 7 continuous Hrs between 10pm and 8 am.
        - b. This row should reflect that definition by focussing on the percentage of breaks that include a Night Rest as defined rather than introducing a further complexity by focussing on the percentage that include midnight to 6 am.
        - c. The 5<sup>th</sup> row adequately deals with the Midnight to 6am circadian rhythm issue;
      3. Row 7 refers to night periods Midnight to 6am. This should be changed to refer to Night Rests, as at present; ie 7 continuous Hrs between 10pm and 8 am.

### 3. SMS Standard

#### a. General Comments:

- i. Have the various WHS agencies ALL been consulted on the approach and content of the Draft SMS Standard and have they all endorsed it?
- ii. IF NOT, then how can the HVNL impose an SMS that is at odds with WHS agencies' approach and requirements which will expose HV operators to legal action under WHS law even though their SMS complies with the HVNL?
- iii. It is not sufficient to assume that WHS agencies will not look at safety matters involving HV operations simply because those operations fall under the HVNL. The industry and we think the NHVR, needs certainty either in the form of:
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- xiv. We should drop the pretence of "beliefs and values" That is an idealistic notion which is neither essential nor realistic, particularly across the tens of thousands of SME HV freight businesses. The SMS for the trucking industry is NOT the place to attempt to impose the corporate mantra's and ivory tower philosophies of men in white shoes or black tee shirts spruiking corporate culture!
- xv. Instead we should focus on actions. What matters is that people understand and comply with appropriate and effective safety procedures and practices regardless of whether or not their share the beliefs and values.

b. **Application and Interpretation:**

- i. The concept that "compliance is assessed on **evidence that the safety management system *is effective...***" rather than by the mere existence of documents is reasonable at face value. Its practicality however is another thing all together. It raises several points:
  - 1. Just how operators and auditors can genuinely assess the effectiveness of putting newspaper on the doorstep to keep the elephants away is questionable. The absence of elephants is not credible evidence. The statements about this concept of proof of effectiveness seem rather glib and are likely to cause frustration;
  - 2. Just what is the definition of "effective"?

3. What the SMS should refer to and require is judgement/assessment that in the circumstances of the Transport Activities involved, the SMS is considered likely to reduce the risk of safety issues to an acceptable level.

c. **Standard 1: Leadership and Commitment:**

- i. The first dot point in 1.1 Responsibility and Accountability is a case in point re 'effectively manage' public risks.
- ii. The 3<sup>rd</sup> dot point requires leaders to be responsible and accountable for "ensuring people .... have the required **skills, knowledge ....**"
  1. In SME operations, this would seem impractical if taken literally. Just how is the owner/senior manager of a small operation expected to assess, in detail, the knowledge of an individual. Typically when engaging employees for roles such as Operations Manager, the employer will make enquiries and discuss the applicant's experience with them but that is not the same as to be held accountable to attest to the knowledge of the individual.
  2. So this is once again a matter of just how long is the piece of SMS string?
- iii. 1.2 Development and Implementation: insert a comma before "where applicable" in last line.
- iv. 1.3 Resource Allocation:
  1. insert ", where needed," before "continually improve" in first line.
  2. Penultimate sentence requires operators to "coordinate" and share information with other relevant parties in the Chain of Responsibility:
    - a. If that is intended to include entities outside of their own organisation, such as customers, the vast majority of HV operators are NOT in a position to do this and the requirement should be removed;
    - b. If the intention is to limit this requirement to chain parties **within the HV operator's organisation then say so.**
  3. The evidence requirements in Schedule 1 are impractical and unacceptable in relation to the requirement to prove that reprisals do not happen.
  4. 1.4 Safety Culture:
    - a. Delete "continuous" from the 3<sup>rd</sup> dot point. See the general comment above re the absurdity of the concept of "continuous improvement" in the context of an SMS for trucking.

d. **Standard 2: Risk Management**

- i. 2.1: Hazard Identification: delete "and heavy vehicle driving" because it is a transport activity. If the intention is to draw specific attention to the driving task so it's not overlooked then replace "and" with "including".
- ii. 2.2 Risk Assessment: replace "analysing" with "considering" because the vast majority of HV freight operators will not be "analysing" everything but they can and will think about it. This is an example of these HVNL Standards



documents having been written in a language that will be less effective with the vast bulk of the operators than if it were written in plain, simple uncomplicated everyday English without attempting to make things sound more impressive or sophisticated. **Keep it simple, don't overstate it;**

iii. 2.4 Incident Management:

1. insert "serious" between "cause" and "injury" in the first line;
2. insert "within the business" after "reported" on the second line;
3. Insert "appropriate" at the start of the last sentence. The point being that occasionally a human will make an error and that does not necessarily mean or necessitate Corrective Actions are required.

iv. 2.5 Ongoing Risk Management: insert "where necessary" after "update them."

e. **Standard 3: People**

i. 3.1 Fitness to Drive:

1. Delete "without fear of reprisals"
2. This is an unacceptable concept because there are many circumstances where the IR laws provide for appropriate disciplinary actions and even dismissal, including ongoing vexatious complaints that do not have any legitimacy but create chaos and significantly harm relations within the workplace.
3. The references to "without fear of reprisals" and "protection from reprisal" must be removed completely from this SMS and be replaced with practical and appropriate wording that makes clear that people are encouraged to raise genuine and legitimate safety concerns etc.
4. Indeed page 6 of Schedule 1 envisages that Disciplinary Records will constitute part of the evidence of a safety culture. How is that consistent with the proposed requirement for protection from reprisal?

ii. 3.2 Training and Competency:

1. Delete "refresher training" or at least qualify it with being something that is only expected to be done "where necessary". The current wording is too absolute and implies that ongoing refresher training is a mandatory requirement throughout the organisation, which would be absurd, unaffordable and unnecessary in the vast majority of cases. Again this is written in an idealistic theoretical tone, when it needs to be realistic and practical.

f. **Standard 4: Assurance, Monitoring and Improvement:**

i. 4.1 Performance Targets and Indicators

1. This is over-engineering for the vast majority of the SME HV freight operations. With just 1 admin staff or maybe 3 in a medium operation with 35 trucks, the additional admin burden of setting up and tracking Performance Indicators against safety performance targets on top of all their existing tasks in running the business, is impractical and unnecessary.

2. Reword this in clear recognition of the serious and real constraints on the administration capacity and capabilities of SME HV operations.
- ii. 4.2 Monitor and review: as above re 4.1
- iii. 4.3 Continuous Improvement:
  1. See the full comments on this under the heading General Comments above.
  2. Replace “continuous improvement” with “any necessary changes”;
  3. Replace “Regularly” at start of second sentence with “As necessary or appropriate”;

**g. Schedule 1**

- i. Definitions:
  1. Continuous Improvement: if this concept is retained, against our strong advice, then add “as and when appropriate” at the end of the definition;
  2. Impairment: The SMS and this definition, ought note that HV drivers are not allowed to operate a HV with a Blood Alcohol Level above zero nor with prescribed drugs in their system;
  3. Incident: consider the need to define “significant near miss incident”;
  4. Notifiable Occurrence: This needs to be consistent with the HVNL, so use the same definition, not this variant;
  5. Opportunity for Improvement:
    - a. The use of the words “could improve safety performance” is way too vague and could lead to absurd assessments by auditors and the Regulator.
    - b. This concept should be drafted so as to be consistent with the baseline legal test of “as far as reasonably practicable”;
    - c. Delete “that if addressed, could improve safety performance” and insert “and reasonably practicable measures are likely to improve safety performance”;
  6. Risk: this drafting is too academic and verbose.
    - a. Delete “effect of uncertainty on objectives, expressed in terms of”
    - b. Insert “potential adverse” after “likelihood and”
    - c. Insert “of something happening”
  7. Risk Control: replace “activity” with “measure”
  8. Safety Culture:
    - a. Replace “the collective beliefs, perceptions and values that a” with “adoption and compliance with safe practices and policies by a”
    - b. Delete “share regarding safety”
    - c. We should drop the pretence of “beliefs and values”. That is an idealistic notion which is neither essential nor realistic, particularly across the tens of thousands of SME HV freight businesses. The SMS for the trucking industry is NOT the place to attempt to impose the corporate mantra’s and ivory

tower philosophies of men in white shoes or black tee shirts spruiking corporate culture!

- d. Instead we should focus on actions. **What matters is that** people understand and comply with appropriate and effective safety procedures and practices **regardless of whether or not their share the beliefs and values.**
- e. **We can not have a mandatory SMS that requires implementation of such a nebulous and immeasurable construct as Safety Culture that will see police agencies and others lay charges of failure to adopt a safety culture. This has already happened in a now infamous debacle of a failed case brought by SAPol and the NHVR in 2021 in SA.**

h. **Part 2 Standards:**

i. **Standard 1: Leadership and Commitment**

1. **1.1 Responsibility and Accountability**

- a. The concept of “senior managers” is confused in the draft SMS and it is used inconsistently.
- b. In the first dot point of Evidence Expectations either:
  - i. Delete “senior”; or
  - ii. Refer to “senior managers as set out in the Organisation Chart”
- c. Third dot point replace “protecting” with “to ensure as far as reasonably practicable that” and replace “from reprisal when” with “are not discouraged from”
- d. 4<sup>th</sup> dot point: what exactly is expected by the requirement to “verify” the skills and knowledge of personnel. This will be largely impractical for SME HV freight business if the expectation is some sort of test or formal assessment. Again this is written for the big end of town not the typical SME operation.
- e. 5<sup>th</sup> dot point:
  - i. “demonstrate active” oversight by “senior” management ... will again be problematic and this too seems written for the larger businesses with more complex management structures rather than the flat structures of SME operations;
  - ii. Insert “any appropriate” before “update of responsibilities”
- f. 7<sup>th</sup> dot point:
  - i. delete “senior”
  - ii. this point is obscure. It refers to “the five elements of executive due diligence under the HVNL” but fails to tell the reader what those are.
  - iii. TIP: perhaps it would be helpful to refer instead to the five standards set out below in Part 2 of the SMS

- g. Examples of Evidence:
  - i. 2nd dot point: delete “reprisal protections”
  - ii. Decision Rule:
  - iii. 3<sup>rd</sup> dot point
    - 1. Delete “reprisal protections”
    - 2. How on earth do you “test” that reprisal protections are effective?
    - 3. The focus should be on encouraging people to raise legitimate issues and responding appropriately to them.

## 2. 1.2 Development and Implementation

- a. Evidence Expectations:
  - i. 1<sup>st</sup> dot point replace “processes used to” with “that you have defined”;
  - ii. 3<sup>rd</sup> dot point: This will be very confusing for operators
    - 1. The 1<sup>st</sup> para of the SMS paper says the SMS is needed **IF YOU WANT accreditation**. So why are **ALL** these dot points required if an operator only wants fatigue accreditation? This smacks of political/bureaucratic blackmail of the same nature used to ‘force’ most operators into BFM when it was introduced; the argument was that if an operator wanted to retain a total of 14 hrs work in 24 hrs they’d have to undertake BFM, because Standard Hours would be reduced to 12 in 24. In the same vein, this requirement seizes upon an operator’s need for one accreditation to impose an SMS that covers everything.
    - 2. What is meant by “performed under authorisation” in the 5<sup>th</sup> sub dot point? People should not have to work this out and if the intention is things done under NHVAS Notices/Permits etc, then say so.
  - iii. 4th dot point: what’s meant by “additional conditions” ditto as above.

- iv. 5th dot point: requiring HV operators, of all sizes, to “communicate information about the public risk arising from their operations with other parties in the chain of responsibility” is ridiculous and impractical; assuming of course that the intent is parties outside the HV freight business, such as its clients. The vast majority of HV operators do NOT have the type of working relationship with, or any real influence over, their customers. This obligation should be placed where it belong on the customers themselves.

b. Examples of evidence:

- i. First 2 dot points: these would over-engineer the SMS for SME HV freight businesses and result in an unreasonable burden. The obligations are in the HVNL so why should an SME’s SMS “integrate those obligations”?

c. Decision Rule:

- i. 3rd dot point: “policies and procedures address ALL public risks ...” this is patently ridiculous and excessive because that is virtually an endless list; 98% of which are common to every HV operations.
  - 1. If the SMS Standard says ALL then how can the Regulator ever approve an SMS because none of them will ever “address ALL public risks”
  - 2. We must stop with the window-dressing policy constructs and be realistic.
- ii. 4th dot point: requires that Alternative compliance procedures (in the SMS) are tailored to the operator’s profile. What has NOT been explained is that if an operator is seeking alternative compliance they will need to submit an SMS that includes their alt compliance procedures.

**3. 1.3 Resource Allocation**

a. Evidence Expectations:

- i. 1st dot point: delete “specifically allocated to” because this ignores the reality that in the vast majority of HV freight operations there is no dedicated or separate resource responsible for compliance and monitoring. These functions are part of a wide range of duties of the 1 to 3 office staff in almost all SME operations.
- ii. 2nd dot point; see the comments elsewhere in this submission regarding the impracticality of expecting SME operations to assess and monitor competency of people in the safety-critical roles.

- iii. 4th dot point: “procedures” can not show that resources are deployed and used. Replace “procedures” with “records”
- iv. 5th dot point: this again is over-engineered for SME operations.
- b.Examples of Evidence:
  - i. 1st dot point: SME operations do NOT allocate funds in their budgets for “SMS Activities and training”. In fact many wont even have a genuine budget! Again this is inappropriate and unnecessary for SMR operations;
- c. Decision Rule:
  - i. Exactly how will the Regulator ever be in a position to be satisfied, genuinely, that “resources are demonstrably available and sufficient to support SMS implementation” not to mention to spurious “continuous improvement”?

#### 4. 1.4 Safety Culture

- a.Evidence Expectations:
  - i. 2nd dot point:
    - 1. Delete “senior” or correct its use throughout this SMS document;
    - 2. This seem to expect, unrealistically, that Coles/Woollies and other major corporate clients will engage with the HV freight operator re safety and culture. They certainly wont with SME HV freight operators and the operator has no effective way to make them.
  - ii. 3rd dot point: see comments elsewhere re the impracticality of the “without fear of reprisal” concept;
- b.Decision Rule:
  - i. 2nd dot point replace “reprisal protections are functional” (however that might be proven!) with “and reporting of issues is encouraged” and replace “relied upon” with “used”;
  - ii. 3rd dot point: replace “visibly” with “demonstrably”, unless the intention is that leadership makes public pronouncements to the workforce;

## ii. Standard 2: Risk Management

### 1. 2.1 Hazard Identification:

#### a. Evidence Expectations:

- i. 1st dot point: Insert “use of” at beginning;
- ii. 4th dot point: insert “encouragement to use” at the start;
- iii. 5th dot point: delete “procedures for” because in SME operations they don’t have or need procedures for prioritising hazards.

#### b. Examples of Evidence:

- i. 2nd dot point: WHAT is a Risk Log, presumably not a tree across the road and how does a Risk Log differ from a Hazard Register? If you mean a log of the incidents in which risks were encountered and dealt with, then say so. The SMS must NOT get bogged down in TITLES of documents, as it will also bog the auditors down and make a farce of the whole thing. This should be kept simple ... there must be a register in which the KEY significant hazards and risks are listed;

#### c. Decision Rule:

- i. 2nd dot point replace “ and protected when reporting” with “to report”

### 2. 2.2 Risk Assessment

#### a. Evidence expectations:

- i. 2nd dot point delete or explain in a more useful manner the words in brackets re aligning with ISO 31000 etc;
- ii. 3rd dot point: what is an “escalation threshold” as SME operators won’t know;
- iii. 4th dot point: how long is this SMS piece of string and just what is meant by the “assessment of risks specific to the HVNL (eg fatigue, mass, overloads etc)? Is it the risk of overloading or the risks to the infrastructure and public safety if you do overload, that’s referred to here?
  1. Governments set the Mass Limits and through that and HV access restrictions, governments assess **and manage** the risks from excess mass. So why not simply focus the SMS on the risk of breaching the Mass limits or route compliance, as distinct from expecting operators, let alone SME operators, to assess the consequential public risks?
- iv. 5th dot point: inclusion of “health consequences” is a big ask and inappropriate for SME freight operations. They aren’t doctors.

#### b. Decision Rule:

- i. 1st dot point: delete “consistent” because that is meaningless; consistent with what?

3. **2.4 Incident Management**

a. 1<sup>st</sup> dot point: Delete “reporting, investigation, corrective action and recovery” and indent the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> dot points;

b. Decision Rule:

i. 3<sup>rd</sup> dot point: insert “as appropriate” at the end.

4. **2.5 Ongoing Risk Management**

a. 4<sup>th</sup> dot point delete or correct use of “senior” management;

b. 7<sup>th</sup> dot point: how will auditors assess the effectiveness of controls across the board?

i. They put newspaper on the doorstep to keep the elephants away and it seems to have worked?

ii. Seriously this is again worded the wrong way round. It should focus on reporting where controls seem to have NOT been effective and what’s been done to address it.

iii. **Standard 3: People**

1. **3.1 Fitness to Drive**

a. Evidence Expectations:

i. 4<sup>th</sup> dot point: HV drivers are banned from having ANY alcohol or prescribed drugs in their system whilst working. So the point should be to about procedures to ensure that is achieved, not to manage the impairment” which implies its about managing drivers who are working with alcohol/drugs in their system .... Wrong message;

ii. 5<sup>th</sup> dot point: delete “without reprisal” because employers are perfectly entitled to and should dismiss or discipline HV drivers who drive a HV in breach of the zero alcohol/drugs requirement.

b. Decision Rule:

i. 3<sup>rd</sup> dot point replace “systems prevent reprisal for self-reporting” with “self-reporting is encouraged”

2. **3.2 Training and Competency**

a. Evidence Expectations:

i. 1<sup>st</sup> dot point: the SMS refers to safety-critical roles but this will be unhelpful and misleading in most instances and especially in SME freight operations. Surely the point is TASKS, not roles, because very few people in the industry have jobs that just deal with a narrow ‘role’.

ii. 2<sup>nd</sup> dot point: what is meant by “relevant public risks”? If the intention is public risks in respect of which individuals are/can be trained by an RTO, then say that.



- iii. 3rd dot point:
  - 1. again replace “roles” with “tasks”
  - 2. delete “initial, refresher and” because it is unreasonable to expect HV operators, including SME operators, to provide initial and refresher training to all personnel whose job includes safety-critical tasks.
    - a. If the intention is to provide induction training on the business’ SMS, then say so.
    - b. Why is refresher training a requirement when in most cases it will be redundant and an administrative and economic burden that provides no safety gain?
    - c. The focus should be on providing induction and when necessary, corrective training, **as per the 3<sup>rd</sup> dot point in the Decision Rule.**
- iv. 4th dot point: add “where appropriate”
- v. 5th dot point: this is acceptable re HV and forklift licences but it’s unreasonable and impractical to require verification of currency of most other qualifications and statements of attainment.
- b. Decision Rule:
  - i. 2nd dot point: “competency is demonstrated by current records” seems inconsistent with the focus elsewhere on performance.

### 3. 3.3 Communication

- a. Evidence Expectations:
  - ii. 4th dot point: for SME freight operations this is another case of expecting the tail to wag the dog.
    - 1. What exactly does “relevant safety information” mean in this context?
  - iii. 5th Dot point: over-engineering of process. Periodic review of communication effectiveness” is such a nebulous and warm and fuzzy concept as to be essentially meaningless and certainly ineffective.
    - 1. The focus should be on whether or not there is any evidence of communication failures and what’s been done to fix it.
- b. Decision Rule:
  - i. 3rd dot point :delete “and reprisal protections”

iv. **Standard 4: Assurance, Monitoring and Improvement**

1. **4.1 Performance Targets and Indicators**

a. Evidence Expectations:

- i. This is entirely impractical and unnecessary for SME freight operators;
- ii. All targets should be ZERO breaches of the HVNL and the SMS requirements, surely.
- iii. So the focus should simply be on tracking any non-conformances and working to resolve and reduce them.
- iv. 3rd and 4th dot points: “systems for recording performance data” and “periodic reports...” whilst perhaps appropriate for larger entities with multiple levels of management such that the senior managers are physically and organisationally removed from the coalface, they are inappropriate for SME freight operators.

2. **4.2 Monitor and review**

a. Evidence Expectations:

- i. 1st dot point: this is inappropriate for SME freight operators.
- ii. 2nd dot point: is really referring to records generated under the processes referred to in 1st Dot Point, so simplify and merge these points;
- iii. 3rd dot point: delete “periodic”
- iv. 4th dot point: delete “arrangements for” and delete or correct use of “senior”

b. Decision Rule:

- i. 4th dot point: delete or correct use of “senior”

3. **4.3 Continuous Improvement**

a. See the general comments at the top re the inappropriate use of the concept of “continuous Improvement”

b. The focus must be limited to improvement **where necessary** to correct/address issues identified post-incident or otherwise.

c. Decision Rule:

- i. Add “as appropriate” as not all opportunities for improvement need to be taken.
- ii. Just because something might be improved, that in and of itself should not mean that it must be.
- iii. What matters is whether or not the SMS and systems, policies and practices under it deliver safe and compliant outcomes. They do NOT have to be the best and the cost of pursuing “continuous Improvement” for the sake of it is unjustifiable, especially for SME freight operators.

**4. 4.4 Evidence**

a. Evidence Expectations:

- i. 5th dot point: delete this dot point. It is unnecessary and impractical to require SME operators to demonstrate “data-driven decision-making to direct resources and improvements.”

b. Decision Rule:

- i. 2nd dot point: as above, delete the reference to data.

**v. Standard 5: Safety Systems**

**1. 5.1 System Coordination**

a. Evidence Expectations:

- i. 2nd dot point: its impractical to expect SME freight operations to have “arrangements to coordinate safety activities between departments (they don’t have departments) and with contractors/CoR parties because SME operators don’t have that sway with large customers and prime contractors.
- ii. 4th dot point: delete “periodic” and add “as appropriate”

b. Decision Rule:

- i. Ditto re above points

**2. 5.2 Integration With Operations**

a. Evidence Expectations

- i. 2nd dot point: How can an operator be expected to impose their SMS on contractors who have their own SMS?
- ii. 4th dot point: delete “arrangements demonstrating”

#### 4. National Audit Standard

##### General Comments:

As with the SMS document the NAS appears to be written primarily with the larger corporate HV operators in mind and as such is over-engineered for use with SME Freight operations.

It also needs correction. The 2nd dot point in 1.1 Purpose states, incorrectly, that “all operators, regardless of size, must effectively implement SMS elements. That is NOT true if an operator merely operates under the HVNL and does not avail itself of any of the accreditation programs and options.

The drafting of the document seems to suggest that under the HVNL NAS, audits undertaken under other frameworks and which address all of the issues set out in the NAS, will **not** be accepted for the purposes of the NAS. This perception was confirmed in online consultation with the NTC and the NHVR on 18<sup>th</sup> November. This is unacceptable. The industry has long sought, with the support of the NHVR, to reduce if not eliminate, duplication of audits that cover the same issues and standards.

The NHVR’s expressed view on the 18<sup>th</sup> Nov that the NHVR NAS audit is mandatory and other non-NHVR audits will not be accepted, appeared to be driven as much by the NHVR’s desire to ease its own management and administrative burden by having the NHVRAS auditors complete and report on their audits using the NAS audit report template and ultimately entered through the online NAS Audit reporting system. That runs contrary to all the discussions between the NHVR and industry for some 10 years about the need to minimise the wasteful burden of duplication of audits.

There is a glaring need to define/explain the term “public risks” throughout the structure of the 4 new Standards Documents.

The construct of “continuous improvement” should be dumped as being largely meaningless and esoteric. It’s use as a term is popular with consultants and strategic planners but it’s largely motherhood. The focus should be on **ensuring that the requirements of the HVNL and an operator’s SMS are met and that where necessary any corrections/improvements are made.** Not that improvement is required continuously merely for the sake of it. Just because something could be made even better does not mean that it’s reasonable to expect it if the existing arrangements meet the required standards.

This needs to **expressly provide that electronic records are acceptable** as the industry is increasingly transitioning to paperless systems and it’s unnecessary and unacceptable for auditors to insist on paper records, including for example a signed workshop hardcopy docket confirming that a fault has been repaired.

### **1.1 Introduction:**

1. 2nd dot point in 1.1 Purpose states, incorrectly, that “all operators, regardless of size, must effectively implement SMS elements. That is NOT true if an operator merely operates under the HVNL and does not avail itself of any of the accreditation programs and options
2. Define/explain the term “public risks” throughout the structure of the 4 new Standards Documents

### **1.2 Scope and Applicability**

- a. 4<sup>th</sup> dot point: replace “for continuous improvement” with “to ensure the SMS is meeting the HVNL requirements.

### **1.3 Intention and Objectives**

- a. Opening para: delete “scalable and” and replace “protect drivers, road users, assets and the environment” with “ensure as far as reasonably practicable, the safety of their transport activities”. This is to keep the NAS consistent with the HVNL.

### **1.5 How the NAS may be amended**

- a. 2<sup>nd</sup> dot point; add “ does not unreasonably increase the burden on HV operators”

## **2 NHVAS Accreditation**

- a. 4<sup>th</sup> para: Insert “or renewed” after “is granted” in the first line.

### **2.1 Safety Management System**

- a. 1<sup>st</sup> dot point: insert “the operator’s” before “transport”.

### **2.2 General Safety Accreditation**

- a. 1<sup>st</sup> para second line: replace “continuous improvement” with “necessary improvement”.

### **3.1 Audit Objectives**

- a. 1<sup>st</sup> para 3rd line: replace “continuously improved” with “sustained and effective”.
- b. 5<sup>th</sup> dot point: replace “opportunities for” with “areas requiring”

### **3.2 Audit Types and Frequency**

- a. 1<sup>st</sup> para second line: insert “where necessary” before “improve”.

### **3.2.2 Initial Compliance Audit**

- a. It should be made clear that HV operators transitioning from existing NHVAS accreditations do NOT have to undergo either an Initial Compliance Audit, nor a Compliance Audit ”.

### **3.2.3 Compliance Audit**

- a. It should be made clear that HV operators transitioning from existing NHVAS accreditations do NOT have to undergo either an Initial Compliance Audit, nor a Compliance Audit.
- b. What does “**within** nine (9) months prior...” actually mean, particularly given the reference in the second sentence to “between nine months (9) and one (1) month prior .... In relation to applicants seeking to retain accreditation. This suggests that those seeking accreditation for the first time must have a Compliance audit NO LATER Than 9 months prior .....

### **3.7 One Period Rule**

- a. This is not reasonable nor practical and is an over-reaction to fear of whatever it is that concerns jurisdictions or the NHVR about an auditor doing two consecutive audits on an operators’ SMS.
- b. The NAS should allow a maximum of 2 consecutive audits by the same auditor. This facilitates the auditor’s understanding of the business and its scale and complexity, as is clearly required under the SMS and the NAS. It also helps keep audit costs down by limiting the time taken for the second audit as a direct result of the auditor having gained that knowledge during the first audit.
- c. Where is the evidence, as distinct from suspicion or academic theoretical assumption, that having an auditor perform two consecutive audits on an operator is **typically** a problem?

### **4.7 Collecting and Verifying Evidence**

- a. This needs to **expressly provide that electronic records are acceptable** as the industry is increasingly transitioning to paperless systems and its unnecessary and unacceptable for auditors to insist on paper records, including for example a signed workshop hardcopy docket confirming that a fault has been repaired.