

National Transport Commission
600 Bourke Street
Melbourne VIC 3000

28th November 2025

Feedback Submission: Heavy Vehicle National Law (HVNL) Reform and Proposed Changes to the National Heavy Vehicle Accreditation Scheme (NHVAS)

Dear Sir/Madam,

Thank you for the opportunity to provide feedback in relation to HVNL reform. I conduct my own business as an NHVAS Approved Auditor and provide consultancy services to transport businesses and supply chain participants for the development, implementation and evaluation of management systems for meeting accreditation and Chain of Responsibility (CoR) obligations. I have worked as an auditor/consultant for over 9 years, and prior to this operated an interstate transport business alongside my husband for 15 years.

I have read the four key statutory instruments and participated in one of the NTC's webinars. I have discussed the proposed changes with consultancy clients, industry associates and other auditors, with the view of being able to critically evaluate the proposed changes and form an unbiased and objective opinion and meaningful feedback.

After careful consideration, I believe that the proposed changes to NHVAS would have significant negative impacts for both operators and auditors. I also believe that while the intention may be to improve safety by raising the standards for accreditation, there may be unintended consequences which could result in poorer safety outcomes for the industry overall. My feedback includes what I consider the most pertinent issues.

Impacts Upon Industry

Increased Costs

In comparison to NHVAS currently, the new tiered accreditation system will require operators to have more comprehensive systems in place including an SMS with an expanded scope addressing HVNL rather than module specific Standards. This will ultimately come at a cost to the business; either internal costs where personnel develop and implement the SMS, or consultancy costs where the business requires support. It will not simply be a "start-up cost" impacting industry, there will be ongoing costs associated with maintenance of the SMS such as training and upskilling internal staff with key responsibilities. Businesses would need to reconsider the allocation of resources and time within their business to ensure the system is operating and effective in accordance with the PSOE methodology (Present, Suitable, Operating and Effective). The cost of audits will increase. Audits will be more complex, requiring greater time and effort for the auditor. The accredited operator will bear this cost.

The common response to the issue of increasing costs is that the business will have to pass those costs on, however in road transport in Australia - this is a fallacy. A large proportion of the industry

are small operators and family run businesses who depend on larger companies for subcontracted work. There is very little ability to negotiate increases in rates and if they do there is likely a competitor who will do the job cheaper, and therefore the risk of a reduction or loss of work.

Increased Effort

NHVAS as a module-based accreditation system requires small changes to be implemented within a business for ensuring they meet defined performance criteria and the accreditation Standards. New entrants currently find the implementation phase of accreditation a challenge as they learn what they need to do and decide how this is integrated into their day-to-day business.

The proposed accreditation system includes five SMS Standards which would replace 23 NHVAS Standards currently in place across the three modules of accreditation. While on face value this may appear to simplify the requirements, it provides inadequate detail for operators to clearly understand what they must do based on the size and complexity of their transport activities.

The evidence expectations included are broad and will require much greater effort within businesses to read more widely than just the Standards to clearly comprehend what they ought to be doing. Smaller to medium sized businesses would be particularly impacted. However, I believe this will also impact larger businesses where there are often varied transport activities (business divisions), operations across multiple sites (with local procedures), and implementing a suitable SMS proportionate to their size and complexity will take great effort also.

Practical Benefits

In comparison to NHVAS currently, the proposed tiered accreditation system does not appear to provide any practical benefits or incentives for businesses to establish general safety accreditation as the baseline. It appears the proposed Alternative Compliance Accreditations will extend benefits which are currently enjoyed under NHVAS. Small to medium sized businesses may find it cost prohibitive, and too much effort based on this; particularly now Concessional Mass Limits (CML) will become the new General Mass Limits (GML). This may result in NHVAS participants withdrawing from accreditation. This poses potential increased safety risks across the industry as businesses abandon their established management systems with the perception they are no longer useful or needed.

While SMSs are considered the best way to manage safety risks in a business, further consideration is needed in relation to aims, intended outcomes and the supporting evidence. There is wealth of peer-reviewed research available supporting the efficacy of SMSs across various industries and activities. However, there appears to be a paucity of available evidence for understanding whether implementation of an SMS results in significant improvement in public safety outcomes in Australian road transport. While implementation of an SMS will likely improve workplace health and safety that is not the current aim. Evidence is needed to support the assertion that there will be improvements in public safety, particularly given the heavy vehicle on the road is only one variable contributing to outcomes. A pilot study to evaluate both the feasibility and effectiveness would be appropriate before implementing such significant change within an industry.

Transition Arrangements

While the Ministerial Guidelines include transition arrangements, it is unclear how this will work in practice for ensuring current NHVAS participants do not lose benefits while transitioning to the proposed tiered accreditation system. The recognition of existing accreditations until their expiry will result in inequitable treatment of businesses who wish to maintain accreditation. Those with an expiry date soon after implementation will be the most disadvantaged having to develop and implement new systems in a shorter timeframe than their competitors who have longer to do so.

Feedback Received From Clients

During the previous two weeks I have received considerable feedback from representatives within businesses which I have a consultancy relationship. Whilst I have encouraged formal submission of feedback directly to the NTC, I also appreciate that people often do not have the time or confidence to do so. The below are excerpts from feedback received:

It seems this will impact us significantly especially as a small business, mostly cost, time and capabilities in implementing these changes when we've just got our heads around the current system.

If we have used an auditor in the past, can we use them sooner or later in the new SMS system moving forward?

Auditors availability – and willingness to travel. Increased cost will be Major. Maintenance records system is the same at all sites. With Teams is it necessary for this extra travel?

How long till BFM is phased out. With Alternate hours, first thing to mind is availability of parking bays. Sydney?? Driving out of Brisbane north in holiday season. Lack of sealed bays in wet season means driving further, especially out west and Eyre Highway. How will this affect their hours AND access to actual facilities.

Split rest break- will that be completed in the 24 counted forward from end of last major rest break (7hrs or more). And where will the next 24 hour period count from OR are they going to count hours from any break taken in a rolling 24?

Will PBS be HML?

My initial reaction is to the increased cost for an auditor on top of the NHVR cost. The total costs are not aligned to the task at hand. Except for fatigue, and I am sure there will be an additional cost for the fatigue alternative compliance accreditation on top of the general compliance accreditation!

Wow.... That adds a whole new dimension of work, time and cost to a transport business that has already spent god knows how much to apply and maintain the existing system... If they are going to change the goal posts, they need to find a way businesses can modify or adapt current systems to remain compliant without the need to re-invent or re-apply.

I think it will be putting a lot of stress and extra work onto operators who have absolutely no idea about most of this. I have not read the entire thing as it puts me to sleep. I feel for those that actually do have to read it like yourself and try to understand it.

I think a SMS will be too onerous for most to comply with. I had to put the entire draft into ChatGPT just to spit it out into plain English for me to understand.

The whole idea of a different auditor for every visit is absolutely ludicrous!! Obviously there needs to be some boundaries like not being able to perform consultant work before that which is currently in place but apart from that having an auditor with prior experience in our business is advantageous and just plain smart. There aren't enough auditors at present to maintain current workload let alone when they leave because of this new system.

This is going to be too hard. If we all drop out of accreditation how do they think they are they going to get everyone over the pits? This is crazy!

Impacts Upon Auditors

Increased Responsibility

In comparison to NHVAS currently, the new tiered accreditation system will require an auditor to use their professional judgement and evaluate whether accredited operators' have a compliant SMS addressing HVNL risks. The auditor would need to have excellent knowledge and competence across HVNL, have practical understanding of specific risks associated with transport activities, and suitable and effective controls. Auditors would need to ensure they are working within the bounds of their competency not just for a quality audit result but also for ensuring they are protected under their professional indemnity insurance. An auditor would require high level skills for auditing the SMS combined with current and practical knowledge of the transport activities they are auditing. This increased responsibility for determining compliance would rest solely with the auditor.

The Auditor Code of Conduct includes that auditors will undertake risk-based auditing whereby they prioritise higher risks or impacts. This introduces subjectivity into the audit process unless there is clear instruction identifying and defining areas of higher risks or impact which must be explored. The responsibility for determining the audit duration and level of investigation required is largely based on subjective opinion and would rest solely with the auditor.

The Auditor Code of Conduct includes that auditors have a duty to immediately disclose suspected breaches to NHVR. This introduces a new level of responsibility associated with auditing, whereby the auditor acts as an enforcement officer by proxy. It also arguably introduces greater quality risks into the audit process. Accredited operators may be more likely to hide information from an auditor based on the fear of consequences. This threatens the quality framework of audits for contributing to continuous improvement and arguably will result in a culture of hiding deficiencies during audit.

The proposed National Audit Standard (NAS) states "Both the approved auditor and the operator share the responsibility to ensure that every audit is conducted thoroughly, accurately, and truthfully. If an audit criteria report is submitted and found to be incomplete, lacking sufficient detail, incorrect, or factually inaccurate, sanctions may be applied in accordance with Section 9 of the Ministerial Guidelines for Heavy Vehicle Accreditation for Operators and Section 5.4 of this document for Auditors". Section 9 of the Ministerial Guidelines states "When determining the appropriateness and severity of any sanction to apply to noncompliance with the Act or heavy vehicle accreditation, the Regulator must have regard to the severity of the public risk arising from the noncompliance". This places great responsibility on the shoulders of auditors, and great risk. Auditors rely on the auditee to provide information and access to evidence during audits with limited ability to verify methods in place which are not supported by documentation. With an expanded scope for evaluating how a business manages their HVNL risks, the auditor would have a huge responsibility in this scenario. In the event of an omission or oversight, there may be legal ramifications and sanctions.

I believe this is an unreasonable amount of responsibility being placed upon auditors. In my opinion, the risk would outweigh the reward. I would reconsider auditing based on the disproportionate responsibility, risk and reward.

Conflicts of Interest

Further clarity and consistency is needed to clearly define what constitutes a conflict of interest. Section 5.3.8 of the NAS provides the following example of a conflict of interest: "Acting as a consultant to the operator under accreditation (e.g., designing or implementing the operator's management system)". However, this is inconsistent with Section 5.2 of the NAS stating: "Auditors who are systems providers or consultants (individual or company) cannot conduct any audit, for the first period of accreditation, on a participant's system that they have designed and/or implemented.

After these three (3) audits have been conducted, they may then carry out further audits of that participant”.

Independence

Further clarity is needed to clearly define auditor independence within the NAS. Section 5.3.7 states that “An auditor must not have (or have had) a personal or business relationship with the operator. Most auditors have long-standing transport industry backgrounds which is arguably needed for competence. I acknowledge that broadening of the auditor pool to include those with significant experience auditing risk management systems in other industries may resolve some of the issues of conflict of interest. However, it remains to be seen whether such auditors will assume the responsibility and risk to work in this area. Therefore, greater specificity is needed for auditors to clearly understand what constitutes a conflict of interest. Consideration should be given to the nature of previous relationships and the length of time which has elapsed.

Section 5.3.7 of the NAS also states that “Auditors must not audit any SMS or management framework that they, or the consultancy or organisation they are affiliated with, have developed, implemented, or significantly influenced”. I support this requirement, however, greater clarity is also needed here. Affiliation must be clearly defined to understand what it is, and what it is not. For example, can my consultancy clients choose an auditor who is known to me? Are shared financial and business ventures the salient feature of affiliation? Are consultants and auditors who have a peer relationship as NHVR auditors and no other business affiliations considered independent of each other? Improved clarity around independence would improve understanding and adherence to the requirements.

Summary

The feedback which I have provided is what I believe to be the most pertinent issues. However, these are not the only issues I can see. I believe implementation of the proposed changes would have significant negative impacts for both operators and auditors.

I would like to see the proposed changes and the four key statutory instruments set aside. I recommend that future endeavours for HVNL reform should include greater collaboration with industry, auditors and experts for considering possible impacts and other possible alternatives. Any future proposed changes should be supported by research and evidence showing feasibility and a high likelihood of increasing public safety in the Australian road transport industry.

Thank you for the opportunity to provide feedback as part of consultation. I am happy to be contacted if you would like to discuss this further.

Yours Sincerely,

[Signature removed]

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