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### **HVNL Review Issues Paper – Easy access to suitable routes**

Thank you for the opportunity to provide comment on the above HVNL Review Issues Paper.

The more I read these HVNL Review papers and in particular this one, the more it highlights to me that many (perhaps most) of the challenges within the HVNL lie with outdated government processes, approaches and attitudes rather than with anything else. Most of these challenges have been raised again and again by industry with governments in the last decade or more with little positive impact. This is simply my view based on extensive interactions over a long period of time.

#### Why can't Governments keep up and provide great service?

We need to review and better understand and address why Governments struggle to keep up with a hugely dynamic and changing road freight industry. Is it that they are risk averse or is it deep seated habits that need to be addressed, or both? I believe that unless we have a massive shift in attitude and philosophy collectively within governments (and within the bureaucracies that give them advice), we will have difficulty seeing good progress being achieved.

A key part of the challenge is for governments accepting industry as a valued and trusted partner and customer rather than continuing to view it as a "we know best" or parent/child prescriptive relationship. I view this as a chronic and widespread problem which escalates to seeing saying no as a valid way to do business.

Yes, this is a consistent theme of mine but I consider a valid one in that governments need to find a way to accept that the majority of the industry is trying to do the right thing and their limited resources need to be redirected to addressing high risk and unacceptable behaviours.

#### New HVNL needs to be more agile to encourage real time reform – low risk permits must go

The issues outlined in this Paper clearly highlight this fact to me and despite the rapidly moving advances with high productivity (and safer) vehicles, we are still using outdated and prescriptive mechanisms to manage and "control" them. This is clearly highlighted in particular by the fact governments are still issuing tens of thousands of (useless) permits each year for low risk activities and guess who pays for this, industry. This is plain lunacy and is another example of where we over regulate the majority who are trying to do the right thing whilst high risk operations continue to prosper through commercial gain with little chance of detection.

I hate to think how much wasted resource goes into issuing permits across the eastern seaboard for low risk access operations and how hard those involved in doing these jobs will naturally fight to maintain the status quo. I do understand this point of view as they are fearful of losing their jobs whereas a proactive approach would see them moving to areas where they could make a positive contribution to better outcomes in this key area.

Let's not forget how reliant Australia is on road freight transport compared to our trading partners. The more barriers we have in place, the more costs we place on our industries, especially those in regional and remote areas who pay freight costs both ways! I.e. They pay the freight on everything they consume and on everything that they produce.

I was somewhat surprised to see the terminology used on page 51 of the Paper which basically says that despite massive investments, some current government (but outdated) attempts to manage in this area are perceived to still be failing. For example, the phrases "... running hot is still a big problem ..." and "... the coverage of Safe-T-Cam and weigh-in motion systems is still limited, and because operators know where they are, they can still be avoided" are used. We can add the amazing unsuccessful IAP Program to this list too.

I'm not sure what figures are available to support these views as none are included in the Paper but I do see this as confirmation of the attitude of maintaining the perception we have within some bureaucracies that "industry is bad and we are good" as a way to justifying more prescriptive regulation rather than a better and targeted approach to achieve better outcomes.

The above comments are somewhat cynical but they are based on the fact that I and many others have genuinely attempted to work with most state and national bureaucracies for a long time without much success in this area.

#### NHVR must be allowed to modernise its approach within agile HVNL framework

I'm fearful that whilst we are achieving minor gains with the NHVR, they suffer from the same straight jacket as industry imposed upon them by the state jurisdictions through the HVNL. The problem is that they are basically just "take over" functions from others without the ability or momentum to actually pursue positive change. This means NHVR staff are in effect taking over as "jailers" and merely replicating what their predecessors have been doing particularly in the permits and Performance Based Standards (PBS) areas.

Yes, I understand that the HVNL Review is about changing all this and will deliver the holy grail which would see Australia as a world leader in providing a flexible and modern approach to road freight transport regulation.

Whilst I will remain very cynical on the chances that this will actually occur, I will continue to provide feedback with my specific comments in this critical area provided below.

#### Focus on high risk rather than low risk outcomes

Whether it is in this area of the HVNL or others where massive government and industry resources are involved in managing a broken system (for example, low risk access permits or looking backwards for minor work diary breaches) I strongly encourage the adoption of a new agile approach be pursued which focuses on high risk offences (Questions 4 and 7).

I sometimes dream of a world where this happens so we ensure currently wasted resources involved in low risk compliance activities being redirected so the whole supply chain and the regulators work cooperatively and effectively together to deliver more effective safety and productive outcomes.

The challenges road managers face (Questions 2 and 3) usually relate to the historical approach to their jobs coupled with the traditional views of their managers and Council representative. Understandably, this is about assets protection rather than efficient and safe asset use.

This challenge also comes from the Law itself that provides 28 days for consent which is laughable even if it is met. Perhaps a seven-day turnaround (Question 1) would help but I still consider the better option is biting the bullet and ensuring we focus on the high risk “where you can’t go” challenge where surveillance would be a lot easier. In addition, I agree that road managers usually don’t have the assessment capability nor the knowledge of roads or vehicle classifications (Question 3) to be proactive so they simply take the risk averse “out” and eventually say no or don’t respond at all.

By default, the operator and the user become the deciding authority and balance the risk (similar to a pedestrian crossing a road against a red light when there is no traffic). They assess the risk and if low, they proceed and “run hot” which uses your terminology not mine. If governments clearly articulate where the high-risk roads and bridges are located, this then becomes easier for everyone:

- operators will avoid them and plan to use other routes simply because they understand and accept the high-risk involved
- governments will better understand where investment needs to be made to improve freight flows
- targeted “smart” enforcement can be aimed at those who want to do everyone a disservice by operating where they shouldn’t.

I have noted the proposed aspirational goal in the Review Paper of moving the access principles to include references to productivity as well as safety. We might achieve better outcomes if we combine this principle with shared responsibility ones which would see operators and users taking greater responsibility (Question 8) for assessing and accessing low risk routes and bureaucracies focussed on identifying and targeting the high-risk ones.

I find it strange that the same people in jurisdictions and councils who say it is my responsibility to make sure I know the condition of my fleet 24/7 (down to minor cracks in windscreens) at the same time take no responsibility and have no obligation to have an effective, transparent and realistic analysis of their road assets so we can maximise their use.

Tell us where we can’t go rather than us asking (continually) where we can

An alternative and better approach would be to have a “tell us where we can’t go” system (Question 8) rather than continually ask where we can. This will lift the responsibility and increase the investment in optimising use of these important community assets. Surely any cost benefit analysis would support such an outcome. Freight routes are freight routes and usually are associated with pick up and drop off locations that don’t change overnight.

I believe that allowing access for higher productivity vehicles (HPVs) in the main doesn’t lead to massive increases in usage, rather it is for a specific purpose (farm, factory, distribution centre etc) where the reality would see less and safer trucks doing the task. Again, we should have Laws that allow the majority to take responsibility for doing the right thing whilst we collectively target the bad. And once a road is approved, make it available to everyone, as should be the case with PBS approvals and AFMs. Yes, someone might have to pay for the initial review and accept that as a cost of doing business; we should not have industry paying over and over again for the same review.

Unfortunately, I have much personal experience (and frustration) in the PBS and access areas with approvals and getting vehicles assessed efficiently. And I can confirm that I won't send my \$1million plus equipment into a location where it physically can't go (see challenges below).

Yes, some operators run as you say "hot". Usually this is normally because they are frustrated that a low risk permit hasn't been issued in a timely fashion and unfortunately, the freight can't wait for the system to eventually deliver a yes or a no.

If we turn our attention in the HVNL to better managing the high-risk operations and infrastructure, surely that is a better use of resources and will deliver the outcomes we all want.

Finally, I do worry that our bureaucracies are overly focused on charging reform which they believe will provide them with better signals re freight demands. This worries me to the extreme given the very changing nature of the task we undertake and the fact that most of the benefits come from the supply side of reform which they don't seem to want to take on, perhaps it isn't shiny or new enough for them.

#### Urban, regional and remote operations and conditions are different

I acknowledge that managing the access task in our urban areas is becoming more difficult and community or political attitudes don't help in some areas. Plus, there is little understanding in some communities that HPV's mean less and safer trucks because it is easy to depict them as monsters.

With HPV's also doing a greater share of the long-distance task, the first and last mile access issues are harder to manage. The social licence from the community is important here as the current construct of the HVNL allows some to demonise the industry through the eyes of public blitz's and damn statistics that usually mean little in a safety sense. This perpetuates the perception that trucks are bad and inhibits the opportunity to change. I guess some external review process (Question 3) would be useful in principle here but the reality says this has to be a two-way process so it will also be easier for local agitators (usually a small minority) to create vastly extended delays if they so wish.

Given this, I think we need to think about addressing urban access decision making differently versus those for regional and remote ones. Having said this, I'm not sure of the "how" but this issue becomes more critical day by day with increasing urban movements and congestion. Our efficiency in urban areas is dropping and a key role for the new HVNL is to try to deliver better productivity outcomes as well as safer ones.

The urban challenges are being exacerbated as we have increasingly large urban infrastructure and building projects that require many trucks. For a range of reasons that I don't understand and which I think have been a lost opportunity, these projects don't seem to be subject to necessary surveillance that would deliver better outcomes. In my view, this starts with the lack of specificity in contracting (including governments because it might increase direct project costs) covering the type of vehicles and standards that can be used through to the on-road and onsite obligations which could be more transparent and easier to target. The anecdotal stories surrounding who controls and gains from these massive logistics tasks today are scary to say the least with the lack of strong standards and oversight a real problem

## RFT's experience with Access Approvals, PBS and permits

To highlight the challenges we face, I provide the following examples in the access area including PBS access. I will also provide more detail on the PBS approval challenges in my response on the vehicle standards and safety Issues Paper. Access Approvals are best broken into two parts.

### 1. *New access approvals for new routes*

These are usually more time consuming and difficult for the various road managers to assess and approve with the first or last mile where the majority of the delays are encountered. The Local Councils in the large majority don't have both the skilled and additional resources to handle these. The easy thing is to put it in the "too hard basket". Somehow the Road Managers in the States where these Local Councils are located need to be provided with the skilled resources to assist with the evaluation of applications. In addition, approvals are usually for three years and when we re-apply after the initial three-years, they usually are only renewed for a further year. This adds substantially to both the transport companies and the authorities' workloads which seems totally unnecessary. It also makes commercial decision-making and investment in new equipment very risky as re-approval can be simply at the whim of a local official influenced by a non-safety related issue.

Some examples of the problems with new permits:

- RFT has recently decided to adopt a piece meal approach to obtaining approval for a proposed new PBS route from Victoria to Queensland. This is simply because one small part of an application can be knocked back and we have to start again for the whole route which includes the 28-day time period.
- PBS in principle approvals do not seem to have a response time period attached to them. RFT recently had an application sitting in the NHVR without action for over 100 days simply because they hadn't got around to looking at it (as no timeframe to do so is stipulated).

Another simple "customer service" initiative could be to require the NHVR to provide clear and real time online transparency for each application lodged. I can easily track where my pizza delivery is at today, minute by minute, but I have no real idea where my permit applications are at so I can assist address any blockages.

### 2. *Renewal of approvals for existing routes*

This is still a very time-consuming process that should be just a "tick and flick" unless there have been problems with the operations under the existing permits. Unfortunately, it has to go through the whole process again which is a massive waste of resources. And then as mentioned above, when they are approved, it is generally only for one year's duration compared to the initial three years. In fact, if they have operated for the first three years without any reported incidents or issues, why are they not then automatically gazetted taking away any need for future applications for the same vehicle configurations.

As an example, RFT operates 26 metre B-Doubles into one of our depots and has done so for 24 years. We recently informally found out (when a further access request was knocked back) that this access could also be reviewed/removed as a new business recently opened in our street has attracted more traffic which could threaten our ability to continue to operate. The planning Laws that allowed this to happen took no account of the road freight business that has operated in the street for close on 25 years.

### 3. *PBS Challenges*

#### a) PBS Level 1. 20m Six Axle Single Articulated.

These vehicles have General Access Approval in NSW which is fantastic. However, in the ACT and Victoria we still need PBS Permits and approvals for local roads. These permits like the access approvals are initially for three years and then have to be renewed annually. Like the access permits, why can't these then become general access vehicles in each of the States and not require future approvals or permits for the same configuration if they have operated under the original permit without incident?

#### b) PBS Vehicles Have no Residual Value

Under the current PBS Permit approval regime where nothing is guaranteed into the future even if the approved configuration operates with no issues for the first three years, there are no guarantees that the PBS Permits will be approved on an ongoing basis so therefore no residual values can be placed on the specialised trailers requiring PBS approvals. This takes away a lot of the financial benefits of the improved productivity that people hope to get from PBS vehicles.

### Conclusion

The title for this Paper is "Easy access to suitable routes" and unfortunately the current system and approach doesn't allow for this to happen. This carries a huge cost for our customers and the economy overall.

We also have Councils making individual access decisions based on local economic rather than safety factors because they are not aware of the big picture benefits. This particularly applies to key bridges where improved high productivity access might shorten the lifespan of the asset but it does not pose any safety risks.

We all acknowledge that Local Councils in the main are not equipped or properly funded to cope with the dynamics of managing road assets nor understanding the national benefits that might accrue from providing better access. But we still keep pushing the problem back at them rather than delivering a workable solution. Most of the problems RFT encounters result from this challenge not being addressed and I'm not sure how changing the HVNL will make things better unless it is accompanied by a corresponding acceptance and plan to address the base fundamentals outlined above.

Yes, removing the need for low risk permits would be a great start point and moving resources to identify and address the high-risk locations would be a great and easily achieved outcome if the political will exists to doing so. Making the PBS "user friendly" would also be a huge benefit.

Kind Regards



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