



Queensland Transport and Logistics Council
PO Box 307
Brisbane QLD 4000

National Transport Commission
Level 3, 600 Bourke Street
Melbourne VIC 3000
Via website: www.ntc.gov.au

31 May 2019

Dear Commission,

RE: Risk Based Approach to Regulating Heavy Vehicles

Queensland Transport and Logistics Council (QTLC) commends the National Transport Commission (NTC) for their considered paper on *a risk-based approach to regulating heavy vehicles* and thanks the NTC for the opportunity to comment. QTLC submission focusses on a few key areas, regulation, education, harmonisation, permits and technology, to address the questions posed in the issue paper.

QTLC is a cooperative industry and Government advisory body that provides advice to industry stakeholders on the development, planning, regulation and operation of freight and logistics transport, infrastructure and services in Queensland. The Council works across all freight modes road, rail, air and sea to identify whole of Queensland freight solutions.

Regulation

QTLC supports the broad high-level regulatory principles outlined in the issues paper as a constructive way to build a new suite of tools, regulatory instruments and risk frameworks. Utilising outcome focused risk based regulatory principle to accommodate technological changes and transition to a less onerous compliance regime will increase flexibility and enable the legislation to evolve over time. The primary goal of the Heavy Vehicle National Legislation (HVNL) should be to increase road safety and facilitate efficient compliance process for industry.

QTLC supports the NTC proposal to place obligations as low in the legislative hierarchy as possible. The regulatory principles set out in the issue paper should provide an adequate framework to determine the balance of agility and flexibility. Ongoing industry engagement and consultation will assist adjustments over time. Further if the regulations are moved to a lower order their amendment to accommodate new technology will be easier to facilitate.

Education

Considering the overwhelming majority of operators affected by the legislation are small, the paper notes 70% are owner drivers, the process of education will be essential for operators to understand their risks and obligations. The paper also notes smaller operators tend to prefer simple instruction to risk frameworks as do compliance officers.

For industry understanding how to identify risks, and set reasonable measures to manage them, is a paradigm shift embraced by some and ignored to some extent by others. An example of this is the way different operators think about managing fatigue. Some have embraced electronic work diaries and others are still convinced their own understanding of fatigue is enough and no paperwork should be required, the risk seems too remote. This presents a challenge to the regulator to manage different levels of understanding. Optimally a risk-based approach requires all participants to be informed, rational, and aware of how to optimise operations using a risk framework.

The National Heavy Vehicle Regulator (NHVR) has prioritised and resourced the education process providing 134 sessions nationally on chain of responsibility requirements alone. QTLC supports the ongoing focus on education as an essential part of the compliance process. It is essential owner drivers are aware of the safety benefits risk management will deliver.

Harmonisation

National consistency is a goal worth striving for based on a safety foundation and delivering consistent outcomes. The new law should recognise the diversity of Australia's heavy vehicle industry, including the different purposes of the industry and various vehicle types. Flexibility that does not compromise safety should be accommodated in the regulation. The Australian Logistics Council advocates for a one rule book, one regulator, one national economy position. Given the transport industry is a national industry, albeit many operators only operate within a state QTLC supports this position.

While the HVNL does not cover the whole country the harmonisation and accommodation of variation in the participating eastern states will increase the argument for a completely national harmonised approach. It may be worth considering whether it would be more efficient for jurisdictions to justify 'derogations' from the Law rather than the current process. However, there is a clear benefit to maintaining concessional state schemes like the Livestock Loading Concessional scheme that have delivered safe and efficient transport of livestock suited to Queensland's unique environment and market over many years.

Differences in the compliance and enforcement regimes in each jurisdiction enable local variation in the administration of the regulation. Collaborating with all the compliance and enforcement agencies, police, transport officers, local government etc. to ensure

amendments reduce regulatory burden and harmonised processes are not counter-productive, will ensure the amendments are effective. This is a people and culture consideration regulation in and of itself can't address. QTLC hopes that if the primary outcome of the regulation is focused on safety, and the internal cultural differences in compliance and enforcement agencies are acknowledged, then a solution should emerge. QTLC believes the NTC is well placed to consider the people and culture issue and will have an ongoing role in the application of the regulation once amendments are made.

Permits

As identified in the paper the majority of movements are intra state, therefore harmonisation of road access and compliance within a state will have immediate productivity and efficiency gains. There are many internal Queensland miss alignments that are reducing efficiency and adding to the compliance task, particularly in road asset management, and permits.

Road managers are focused on preserving the road asset and reducing maintenance costs. The complexity of the permit system demonstrates that road managers are often ill equipped to determine how the risk can be accommodated, under what conditions, to enable efficient and safe freight task. Facilitating not stopping the freight movement should be the primary goal of the permit system. Immediate productivity gains could be achieved if access arrangements simplified and streamlined.

NHVR has set clear targets to improve efficiency including a 40% increase in pre-approvals annually, 20% increase in gazetted networks annually, faster application time and 10% reduction in the need for a heavy vehicle permit annually.¹ The NHVR is well placed to do this and the HVNL should afford the NHVR all the authority it needs to manage the road asset in a uniform way. The current complex multi-management system is completely inefficient.

Technology

The adoption of new technology is likely to be a game changer for the freight industry but the initial investment and long-term return on that investment is a gamble many transporter's need better data to assess. Technology that improves truck maintenance and safety, reduces wear on roads and tracks driver speed will deliver long term benefit. However, owner drivers may not see the benefit in upgrading their current rigs preferring to wait until something significant requires fixing to warrant the investment decision. In addition, a recent workforce skills and training study found industry's delay in adopting newer digital technologies is influenced by the lack of basic digital skills among their workforces and the perceived costs of digital upskilling².

¹ NHVR Corporate Plan 2017-2020

² **Skilling the Australian workforce for the digital economy** by, Victor Gekara, Darryn Snell, Alemayehu Molla and Stan Karanasios, published by RMIT University accessed from NCVER's Portal <https://www.ncver.edu.au>

There is no doubt external digital audit by enforcement agencies is cheaper and more efficient. Road assist cameras along all major Australian freight routes are already proving this providing valuable data and reducing the need for roadside blitzes. Clarity of regulatory purpose, skills support and better data will assist small businesses to weigh up the cost benefit of new technology. If the outcomes are clear industry can commit to the capital expenditure and know what the resulting savings will be.

For further information please contact QTLC CEO, Renata Berglas renata@qtlc.com.au or phone 0433 939 106.

Yours Faithfully

A handwritten signature in black ink, appearing to read 'Neil Findlay', with a long, sweeping underline.

Neil Findlay
QTLC Chairman