

12 December 2013

The Hon Tony Abbott MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

### **Renewal of the Intergovernmental Agreement on Heavy Vehicle Regulatory Reform**

Dear Prime Minister

It has come to the attention of the Australian Logistics Council that pursuant to clause 6 of the *Intergovernmental Agreement on Heavy Vehicle Regulatory Reform* (the **IGA**), the IGA expires on 31 December 2013 and that the parties intend to shortly agree to extend the agreement by writing, as permitted by the Clause.

By way of background, ALC is the peak national body representing the major and national companies participating in the Australian freight transport and logistics supply chain industry. Please find attached an Overview of ALC, outlining our membership and policy priorities.

ALC has long held the position that there should be a single national regulator administering one rule book for all heavy vehicles in Australia.

However, ALC remains disappointed that there does not appear to be the support of jurisdictions for the concept of national regulation that ALC called for in September 2011 in the **ALC Policy on National Transport Legislation (attached)**.

For example, ALC notes the budget and long term revenue stream for the Regulator remains unsettled. Many of the subordinate instruments required for the national system to operate also remain unprepared.

ALC also notes the Northern Territory has withdrawn from the scheme and NSW has provisions in its law which permits the creation of 'local regulations' which could be used to change the laws in place to such an extent that having an 'applied law' in force in most Australian jurisdictions could be lost.

Moreover, there are elements of the scheme that industry would like to see in place that are currently missing.

Clause 41 of the Intergovernmental Agreement establishing the HVNL provides the national scheme regulating heavy vehicles is to operate on a full cost recovery basis.

This funding model requires complete transparency as to when and how payments should be made to jurisdictions under service level agreements - probably the Regulator's largest ongoing disbursement.

This is the particular reason why industry considers the open publication of the service level agreements is an important accountability mechanism, providing industry and community with confidence that the HVNL is being administered in an efficient manner.

The obligation of industry players, as 'user' of the scheme, to fund the regulator negates whatever policy argument that may exist about the instrument being 'commercial in confidence' or an intergovernmental agreement requiring confidentiality simply because of that status.

It would appear jurisdictions wish to avoid this transparency.

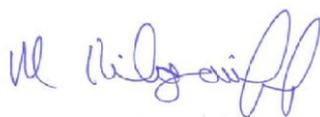
Industry also seeks independent merit review from road owners who either refuse or unduly condition access to road infrastructure. The \$12 billion of productivity benefits that the introduction of the national law will not be achieved if increased access is not achieved.

There also appears little appetite for advancing this reform on the forward work agenda for the national law.

Accordingly, ALC believes that it is appropriate that the IGA should be extended for another two years but that the COAG Reform Council undertakes a comprehensive review of the operation of the National Law after twelve months.

Please contact me on 0418 627 995 or at [Michael.kilgariff@austlogistics.com.au](mailto:Michael.kilgariff@austlogistics.com.au) should you wish to discuss this matter further.

Yours sincerely



MICHAEL KILGARIFF  
Managing Director

Cc Council of Australian Governments (COAG)  
Standing Council on Transport and Infrastructure (SCOTI)