



ALC POLICY ON NATIONAL TRANSPORT LEGISLATION

September 2011

The Australian Logistics Council (ALC) supported the decision by the Council of Australian Governments (COAG) on 19 August 2011 to sign the Intergovernmental Agreements on national regulators for heavy vehicles, rail safety and maritime safety.

The support by industry for this important economic reform is based on the long held view that single national regulators responsible for administering a consistent national law are needed to maximise the potential gains for the Australian economy.

However, the expectations by ALC for 'regulators with teeth' to be established for each of the modes to ensure national laws operate in a uniform fashion nationally, have so far not been met.

Such an approach is critical to boosting productivity, increasing efficiency and improving safety in the freight transport and logistics industry.

It is in this context ALC states its policy on national transport legislation.

National regulators - three keys to success

ALC believes the National Heavy Vehicle Regulator, the Maritime Safety Regulator and the Rail Safety Regulator must:

- » **Replace** the 23-state based regulators with current responsibility for administering transport laws.
- » Have full responsibility for **policy** and **legislation development**.
- » Receive **adequate funding** in the form of transferred funds from the state jurisdictions, with powers to use these funds to administer all elements of the national laws.

This represents a strengthened policy position from the ALC, as its members hold grave reservations that the transport regulators will not have the **authority** or **resourcing** necessary to deliver on the anticipated benefits of this reform.





A truly national regulatory scheme is required

ALC's position on the most appropriate and effective regulatory model for transport is influenced by what works effectively in other sectors of the economy.

ALC draws inspiration from the *Health Professionals Model* which has seen the establishment of one national agency taking over responsibility for the registration and investigation of health professionals in Australia. This new system has involved the transfer of public servants from different registration schemes across the country to work in the one national body, with one set of rules under one set of priorities.

ALC strongly supports the adoption of a *Health Professionals Model* for heavy vehicles, maritime safety and rail safety, whereby a national law would be administered and have services delivered by a single agency that administers the scheme created by the relevant national law.

A 'delegated model' of administration (which is currently proposed for heavy vehicles, rail safety and maritime safety whereby significant responsibilities are conferred on jurisdictional regulators) should only be a transition step towards a single regulator that not only sets standards, but provides services.

During this period, ALC expects:

- » all critical functions of a national transport safety law should be performed by officers by the relevant national regulator;
- » other agencies will only be eligible to receive a delegation if they have undergone suitable training provided by the national regulator;
- » all delegations must be made by the national regulator and the power of sub-delegation should not be provided to people outside of the agency;

- » to ensure national consistency, the national regulator should have a general right to review, amend or substitute any decision made by a person or entity exercising delegated powers;
- » any agencies conferred with delegated responsibilities should be prohibited from publishing guidelines on how the relevant national law is to be interpreted or implemented; and
- » the text of any 'contracting out' arrangements between national and jurisdictional regulators will appear on the relevant regulator's website.

National Heavy Vehicle Regulator needs to lead reform process

ALC members hold particular concerns in relation to the draft Heavy Vehicle National Law.

The content of the latest draft provided to industry differs significantly to the original draft bill, leaving industry to question whether the significant economic benefits anticipated under this reform can be achieved under current legislation.

ALC is committed to working with government in a constructive and collaborative fashion to maximise the economic benefits from this reform. However, for this to occur, ALC believes that full responsibility for legislation development should be transferred from the National Transport Commission to the National Heavy Vehicle Regulator.

