

ALC Submission

Heavy Vehicle National Law Amendment Bill and Regulations

Wednesday, 20th November 2024

Introduction

The Australian Logistics Council (ALC) serves as the peak national body representing major companies across Australia's end-to-end freight supply chain and logistics industry, with a dedicated focus on advancing supply chain safety, efficiency, and sustainability. Freight is foundational to the Australian way of life, impacting every individual daily across the nation.

Essential goods—food, clothing, household appliances, and medicine—depend on the operations of freight and logistics providers. With Australia's population projected to grow by 10 million by 2040, there is an urgent need for proactive investment in freight transport and logistics infrastructure to support this growth.

The ALC commends the National Transport Commission (NTC) for its leadership in progressing crucial reforms to the Heavy Vehicle National Law (HVNL) and welcomes the opportunity to contribute to these policy updates. The ALC fully endorses these reforms, viewing them as essential to modernising the HVNL and strengthening Australia's logistics and supply chain sector to meet the demands of an expansive and diverse market. These changes represent a pivotal step toward a more integrated, sustainable, and resilient national logistics framework, ensuring Australia's continued competitiveness in an increasingly complex global supply chain landscape.

The Legislative Package:

- National Audit Standard (NAS)** The ALC has been instrumental in promoting the NAS concept through active consultations with NTC, NHVR and industry. While the ALC fully supports the objectives of the NAS, we also stress the importance of practicality and flexibility in its implementation, particularly for businesses with existing, robust compliance mechanisms. Unnecessary duplication of audits could place additional burdens on operators already compliant with other regulatory frameworks. The ALC further recommends a scalable Safety Management System (SMS) that allows businesses, particularly smaller operators, to tailor their safety systems according to their specific operational needs and risks, and that auditors are provided with early access to the updated standards to ensure they have adequate time to familiarise themselves with the changes and incorporate them into their evaluation processes. The ALC encourages recognition of NAS by other accreditation schemes, such as TruckSafe.
- CODES OF PRACTICE:** The ALC agrees that the Regulator should make codes of practice for the purposes of the HVNL as it has the resources to ensure Codes are properly developed and maintained. However, industry must have clear pathways to permit it to participate in code development.
- ENFORCEMENT OPTIONS:** The ALC supports proportionality and fairness in implementing standardised penalties across operators of varying sizes. However, the concept of fairness is inherently subjective and often left to the discretion of enforcement authorities, such as police and regulators. This subjectivity may lead to inconsistent applications of the HVNL Penalties Assessment Matrix across jurisdictions. Without clear guidance, what constitutes "fair" enforcement can vary significantly, creating the potential for disputes and uncertainty. This underscores the need for thorough investigation and clear, uniform definitions to mitigate the risks of differing interpretations under the 2024 HVNL Amendment Bill and Regulations.
- MASS, HEIGHT, WIDTH AMENDMENTS:** The ALC agrees with the proposed changes to increase general access height limits and vehicle lengths and the increase of General Mass Limits to match the current Concession Mass Limits as they enhance productivity outcomes. Modest but strategically impactful increases in vehicle height (from 4.3 to 4.6 metres) and mass limits (aligning general mass limits with the current concessional mass limits and removing the concessional mass limit, as well as increasing twin-steer axle-spacing from

2.0m to 2.5m – a critical change needed to support Euro VI) have been proposed to boost freight productivity and streamline operations. By allowing slightly larger vehicles to access a broader portion of the road network without requiring additional permits, these reforms are set to reduce administrative burdens and operational delays for transport operators. Increasing mass limits to the concessional standard enables more freight to be transported per trip, significantly reducing the overall trip count needed to meet demand. This approach not only enhances efficiency but also drives productivity across the sector, optimising resource use and supporting a more resilient logistics network.

5. **ACCREDITATION:** The ALC welcomes the accreditation reforms. Accreditation now provides an avenue for operators to showcase their commitment to safety and compliance standards. This can position accredited companies as preferred suppliers for clients who prioritise safe and compliant logistics partners. Promoting this competitive advantage can encourage operators to maintain or pursue accreditation, ensuring higher safety standards across the sector and fostering a culture of compliance. By enabling larger freight loads per trip, the reforms reduce the number of vehicles on the road, leading to lower fuel consumption and emissions. This not only results in cost savings across the supply chain but also supports sustainability goals. With fewer trips and streamlined regulations, the logistics sector can increase output, maximise infrastructure usage, and support economic growth. This is especially advantageous for the long-haul sector, where operational costs are high.
6. **SIGNAGE IMPLEMENTATION (BRIDGES, COUNCIL ROADS):** New mass allowances under the amended law may necessitate updated signage on bridges and council-managed roads, with clear visibility and specifications to prevent overloading and ensure compliance.
7. **TRANSPARENCY OF ANNUAL CPI ADJUSTMENTS:** The automatic PI-based penalty adjustments need to be managed transparently, to allow operators to plan contingencies in their budgets.
8. **HARMONISED OVERLENGTH PENALTIES ACROSS JURISDICTIONS:** The current disparity in penalties for overlength vehicles across Australian states creates inconsistencies for operators navigating interstate freight routes. To address this, it is recommended that the penalty framework for overlength vehicles be standardised nationally. Consistent penalties would promote regulatory alignment, reduce compliance confusion, and ensure fairness in enforcement across state lines. This harmonisation is essential to support a seamless and efficient national freight network.

Other Observations:

1. **INFRASTRUCTURE ASSESSMENT, UPGRADES AND SUPPORT:** These reforms mean that it is appropriate for responsible authorities to develop a robust, proactive plan for assessing and upgrading critical infrastructure across state and local levels to support the demands of heavier and longer vehicles. This includes prioritising a comprehensive maintenance schedule to avoid backlogs that could delay supply chains. Upgrades should particularly focus on rail level crossings, signalling systems, and other key infrastructure to ensure these critical junctures are equipped to handle the more efficient, high-capacity vehicles central to the amended Heavy Vehicle National Law. This approach is essential to maintain seamless, reliable logistics operations and to enhance overall network resilience.
2. **HARMONISATION ACROSS JURISDICTIONS:** The implementation of the National Auditing Standard reforms may not be consistently recognised or enforced across all jurisdictions, creating operational friction for long-haul freight operators who cross state borders. Particularly, since Western Australia and the Northern Territory do not adhere to the Heavy Vehicle National Law, operators may encounter a fragmented regulatory landscape. This lack of uniformity could exacerbate inefficiencies that the reforms seek to address. A more harmonised approach is needed to streamline compliance and reduce the administrative burden on operators, ensuring smoother and more efficient cross-border logistics.
3. **WORKFORCE RETENTION:** The shift towards simpler compliance is a commendable advancement that holds promise for improving driver retention within the industry. However, it is crucial that efforts to enhance productivity do not come at the cost of tighter schedules that may impose excessive pressure on drivers, particularly those operating in regional and remote areas. Striking a balance between productivity gains and the well-being of drivers is essential to sustaining a resilient and equitable workforce in the freight and logistics sector. It is therefore important for responsible authorities to develop strategies addressing the

challenges posed by an aging workforce and qualified driver shortages. According to industry reports, more than 50% of Australia's truck drivers are over 45 years old, and the industry is struggling to attract younger workers into the profession¹.

4. **ENVIRONMENTAL CONSIDERATIONS:** The ALC recommends the introduction of incentives for fleet upgrades ensuring that the logistics sector can meet sustainability goals while improving efficiency. This could include tax incentives or grants for businesses to adopt greener technologies.

Conclusion

The ALC strongly endorses the National Heavy Vehicle Law Amendment Bill and Regulations Package, acknowledging its potential to drive substantial productivity and safety improvements across the supply chain and logistics sector. Through initiatives like the National Audit Standard, enhanced vehicle mass and size allowances, and streamlined accreditation, this legislative package represents a progressive step toward a more efficient, compliant, and economically viable logistics industry.

The ALC believes that its implementation is critical. The ALC underscores the need for flexibility and careful alignment with existing operational frameworks to prevent unnecessary duplications and operational disruptions for compliant operators. We recommend adopting transparent enforcement mechanisms and harmonised standards across jurisdictions. To enhance sector resilience and growth, we further urge attention to infrastructure upgrade and maintenance where necessary, a strategic workforce retention plan, and an incentivised pathway for fleet upgrades to meet environmental targets. These combined measures will not only support the immediate objectives of the reforms but also foster long-term industry sustainability, driving innovation and competitive advantage across Australia's logistics landscape.

The ALC remains committed to working closely with government and industry stakeholders to ensure these reforms deliver optimal outcomes across safety, efficiency, and environmental stewardship, reinforcing Australia's supply chain for future demands.

¹ [Truck driver workforce shortages: A perfect storm - News - Labourforce Australia](#)