
*2012 Review of the National Transport
Commission and Other Relevant
Transport Bodies*

**Submission by the
Queensland Transport
and Logistics Council**



June 2012

SUMMARY

The Queensland Transport and Logistics Council (QTLC) would like to make the following recommendations in relation to the 2012 Review of the National Transport Commission (NTC) and Other Relevant Transport Bodies:

1. That the NTC be given an active role in facilitating implementation of reforms, project prioritisation and reporting to inform and deliver better reform results.
2. Beyond the establishment of the National Heavy Vehicle Regulator (NHVR), the NTC should retain an independent and ongoing role to monitor the implementation outcomes of the reforms and to identify and respond to heavy vehicle regulation issues that may warrant additional reforms, policies or operational frameworks to maintain the objectives of the harmonisation process.
3. That the NTC assume responsibility for working with jurisdictions to harmonise their heavy vehicle processes that interface with the NHVR.
4. That the NTC and Infrastructure Australia (IA) coordinate to ensure that strategic freight transport planning, heavy vehicle charging and infrastructure prioritisation and investment are aligned to promote and support freight performance.
5. That the NTC promote infrastructure investment arrangements that improve derived value and freight outcomes

INTRODUCTION

The QTLC is a cooperative industry and Government advisory body that provides advice to industry stakeholders and state and federal governments on the development, planning, regulation and operation of freight and logistics transport, infrastructure and services in Queensland.

As the peak industry body representing the views of the freight transport and logistics industry, the QTLC advocates for the provision of infrastructure, regulation and policy that will support sustainable freight transport and logistics in Queensland.

The QTLC supports the efficient movement of freight in order to support sustainable and productive economic development and prosperity by pursuing:

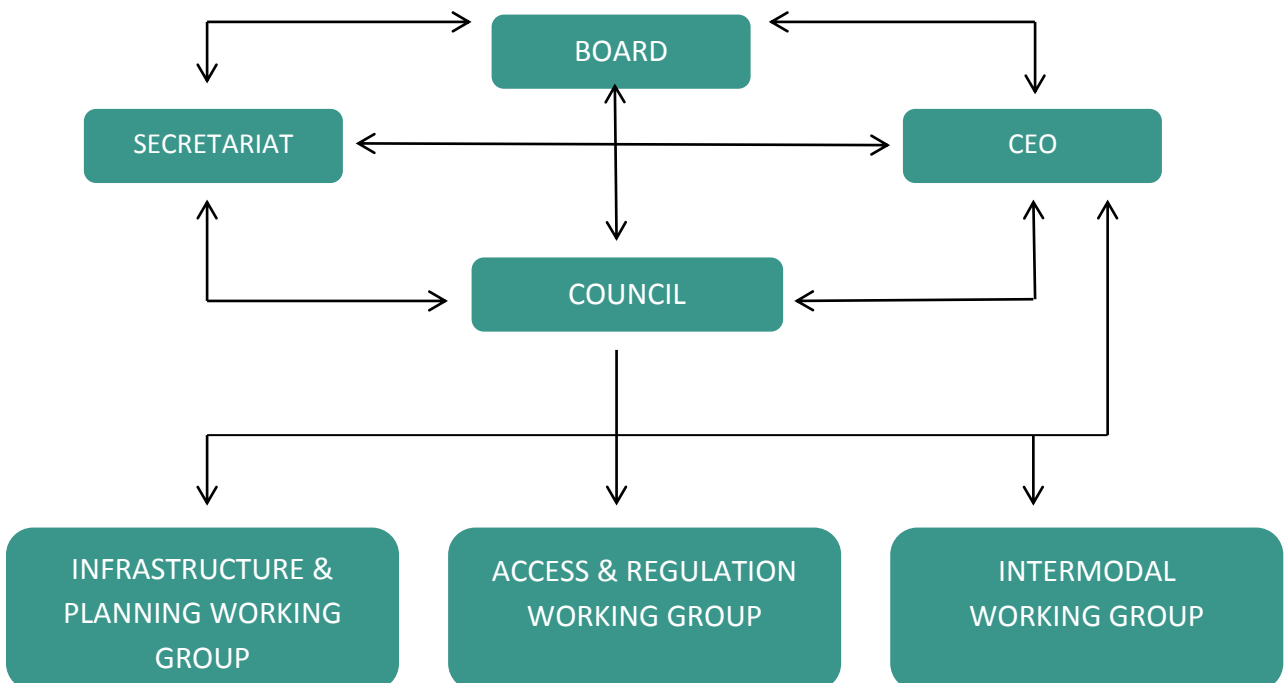
- Appropriate and ongoing investment in supply chain infrastructure;

- Integrated regional and urban planning frameworks that secure land for current and future freight corridors;
- An access policy and regulation environment that facilitates productivity and innovation; and,
- Efficient integration and linkage of freight and logistics systems across the whole supply chain.

QTLC members are individuals and organisations across the whole supply chain including:

- Freight forwarders
- Freight transport operators and companies
- Road, rail, air and sea port and terminal owners, managers and operators
- Road, rail, sea and infrastructure providers
- Other institutions and companies with a direct interest or role in freight transport and logistics

The QTLC's organisational structure is illustrated below.



SCOPE OF THE REVIEW

The QTLC understands that the Review intends to:

1. Consider the roles and statutory functions of the NTC, particularly in reference to the establishment of the NHVR and National Rail Safety Regulator; and
2. Focus on the role of certain other transport bodies to support the strategic and work priorities of SCOTI once the Regulators have been established.

The QTLC has considered the Scoping Paper and wishes to make the following comments.

QTLC SUBMISSION

Consider the roles and statutory functions of the NTC, particularly in reference to the establishment of the NHVR and National Rail Safety Regulator and the ongoing role overseeing the implementation of the NHVR

ONGOING ROLE FOR THE NTC TO MONITOR IMPLEMENTATION OF NHVR REFORMS

The QTLC notes that the establishment of the NHVR is a major priority of the NTC. Post establishment in January 2013, the NHVR will be an independent statutory body reporting to SCOTI through its Board.

Arguably, the establishment of the NHVR and the development of model law have faltered with significant delays and a widely held expectation that many elements of the reform will not be in place for commencement in January 2013. While industry has had the opportunity to peruse and comment on regulations contained in the regulatory impact statement and subsequent model law, Ministerial Guidelines for reforms relating to access, route assessments and decision making are yet to be developed. To the best of the QTLC's knowledge, very little feasibility testing for these processes has occurred.

The QTLC recognises the magnitude of the reform task and is not criticising the NHVR process. Rather, issues encountered in the establishment phase point to the likelihood that similar challenges will emerge during implementation which may impact on the realisation of overall harmonisation and improved productivity outcomes.

The 2009 review of the NTC recommended that the body be given an active role in facilitating implementation of reforms, project prioritisation and reporting to inform and deliver better reform results. The QTLC is of the view that these recommendations should

stand in light of the high risk that the NHVR will not be fully developed to assume full responsibility for the regulation of heavy vehicles in January 2013.

Further to the last point, the QTLC suggests that, beyond the establishment of the NHVR, the NTC should retain an independent and ongoing role to monitor the implementation outcomes of the reforms and to identify and respond to heavy vehicle regulation issues that may warrant additional reforms, policies or operational frameworks to maintain the objectives of the harmonisation process. This proposal is supported by the responsibilities and functions of the NTC set out in Table 4 of the Scoping Paper (see Points e – g inclusive).

Adjunct to proposing an ongoing role for the NTC to oversee the implementation and outcomes of the reforms being administered by the NHVR, the QTLC suggests that the NTC assume responsibility for working with jurisdictions to harmonise their heavy vehicle processes that interface with the NHVR. While the intent of the heavy vehicle reforms would see a reduction in the compliance burden for industry and improved productivity, in practice, the degree to which these outcomes will be realised depends on the policies and processes used by jurisdictions to operationalise the reforms.

In Queensland it is not uncommon for PBS and high productivity vehicle access applications to take several months to years to process. This is largely an artefact of the jurisdiction's requirement to re-assess previously assessed and approved vehicle combinations. Similarly, over mass and over dimension movements to support CSG production in the Surat Basin is set to increase significantly as development in that region expands, resulting in a concomitant increase in permit applications. With the NHVR proposing access decisions within 28 days, there is an imperative for jurisdictions to review and rationalise their heavy vehicle policies and processes to meet this requirement. It is the view of the QTLC that the NTC have an ongoing role working with jurisdictions to ensure they are well placed to realise the productivity benefits of the reforms that are locked up in road manager policies and processes.

It was noted in Appendix 2 of the Scoping Paper that "state and territory governments are responsible for allowing access to roads". This statement does not acknowledge the role of local government as road manager and access decision maker of approximately 80% of the road network. The previous suggestion that delays in heavy vehicle access decision making are related to jurisdictions' policies and processes applies equally to local government as it does to state government. Outside of major metropolitan and regional areas, council have limited resources, capacity and capability to process permit applications and undertake route assessments.

With "first and last mile" issues acknowledged as a major productivity issue, and an estimated \$30 billion in productivity gains from the reforms tied to local government input,

there is an imperative for the NTC to ensure that access reforms align with the local government context.

ROLE FOR THE NTC TO ALIGN GOVERNMENT PLANNING, POLICY AND FUNDING FUNCTIONS FOR SUSTAINABLE FREIGHT PERFORMANCE

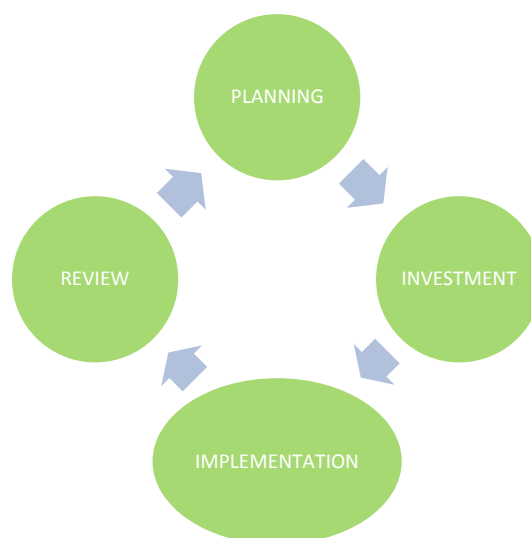
The success of the heavy vehicle reforms depends on the alignment of the planning, policy, regulatory and funding functions available to government in a coordinated way that promotes and supports sustainable freight performance.

This being the case, the relationship between NTC, the Regulators and IA is notably absent from the Scoping Paper.

The 2012-2013 Federal Budget included \$36 billion in the Nation Building Program to strengthen freight infrastructure. In addition to planning, consulting and making recommendations on infrastructure priorities, IA have been tasked with the development and implementation of the National Port Strategy and National Land Freight Strategy. Similarly, the NTC work program for 2011-2012 lists these and other strategies and infrastructure investment frameworks as within the Commission's remit.

While it is unclear from considering the governance models in Figure 1 and Figure 2 of the Scoping Paper how the NTC and IA coordinate to ensure that strategic freight transport planning, heavy vehicle charging and infrastructure prioritisation and investment alignment to promote and support freight performance, the QTLC argues strongly for an arrangement that does so.

Infrastructure and regulation must be balanced considerations in the development and maintenance of a freight transport network cycle that considers:



Previously in this submission reference was been made to the importance of the NTC to plan for and respond to extraneous factors that will limit the benefits derived from the implementation of the NHVR reforms (i.e. constraints associated with local government capability and capacity and jurisdictions' policy and processes). Following on from this, there is a need for the NTC to ensure that freight needs are formalised in land use planning policies.

The NHVR reforms will have a limited capacity to improve productivity if infrastructure constraints are not addressed. Addressing infrastructure concerns is not necessarily dependent on additional funding. Rather, the QTLC argues strongly that current funding sources are not being optimised to derive maximum benefits from investments.

For example, in Queensland alone, funding arrangements that could be focused towards freight outcomes while still meeting community service obligations and tied funding arrangements include: National Disaster Recovery & Relief Arrangements; Roads to Recovery; Transport Infrastructure Development Scheme; Nation Building Program; Black Spot; Safer Roads Sooner; and Financial Assistance Grants. Considering these arrangements, NDRRA funding (totalling approximately \$8 billion for 2010-2011 events), which permits reconstruction to pre-event standards, could be combined with any other eligible funding source to construct freight friendly upgrades at a reduced cost.

The QTLC suggests that the NTC could promote infrastructure investment arrangements that improve derived value and freight outcomes.

Focus on the role of certain other transport bodies to support the strategic and work priorities of SCOTI once the Regulators have been established.

The focus of the QTLC's submission is the ongoing role of the NTC. In relation to the role of other transport bodies, the QTLC makes the following comments:

- The QTLC has found the outputs of the regulatory/technical advisory bodies identified in the Scoping Paper as under review to be useful to the freight transport and logistics industry in understanding regulatory requirements.
- The purpose and/or requirement for industry to use the materials produced by the regulatory/technical advisory bodies under consideration is sometimes unclear and this can result in an additional administrative burden. For example, a number of Guides have been developed by Austroads and ARRB to assist local government with route assessments for various vehicle combinations. In the absence of any regulation determining which tools must be used in route assessment, the QTLC has observed instances where several were being consulted resulting in significant

access decision delays. It is hoped and anticipated that the NHVR arrangements will address this issue.

The QTLC appreciates the opportunity to comment on the ongoing role and function of the NTC and associated technical bodies. Should you require any further information, please contact Dr Rebecca Michael, CEO QTLC on ceo@qtlc.com.au or phone 0418 201 179.