



New Report on Road Safety Remuneration Tribunal Highlights its True Cost to the Community

The [Australian Logistics Council](#) welcomes the release of a report today which concludes the abolition of the Road Safety Remuneration System would result in a net benefit of more than \$2 billion.

“ALC has [consistently maintained](#) that the abolition of the Road Safety Remuneration Tribunal is the best option to avoid the duplication, confusion and costs that would inevitably result from the Tribunal’s orders, and the release of PWC’s [Review of the Road Safety Remuneration System](#) confirms this,” said Michael Kilgariff.

“The Report’s finding that the cost of the Tribunal’s orders would be in the vicinity of \$2.3 billion is damning, and underscores why ALC has consistently called for the abolition of the Road Safety Remuneration Tribunal.

“Of particular note is the finding that ‘*We consider that the abolition of the System would result in significant net benefit to the economy and community at large.*’

“ALC also welcomes the release today of an [independent review](#) in 2014 of the Road Safety Remuneration Tribunal, as required under legislation, which recommends that the Road Safety Remuneration System should not continue in its current form.

“Furthermore, the report recommends that the provisions of the Road Safety Remuneration Act 2012 authorising the Tribunal to set mandatory rates should be repealed.

“ALC is committed to improving safety for all road users, but as these reports demonstrate, having an industrially focussed tribunal responsible for rate setting is definitely not the mechanism to achieve this safety objective.

“The chorus of objections to the *Contractor Driver Minimum Payments Road Safety Remuneration Order* in the past few weeks demonstrates the practical difficulties associated with rate setting in this area.

“The abolition of the RSRT is the only real way to avoid the duplication, confusion and costs that this Order, and others like it, will inevitably create,” he said.

Mr Kilgariff said ALC’s central concern with the system is that the Road Safety Remuneration Act prevails over all other laws, including the Heavy Vehicle National Law and Work Health and Safety laws, which is a recipe for inefficiency, confusion and increased costs.

It is notable that the latest PWC Report states in the Executive Summary that

When considering the 2014 Road Transport Order, we reach the conclusion that there is a high degree of overlap with other agencies who oversight road transport, safety, and workplace matters such as the National Heavy Vehicle Regulator, state road authorities, and workplace safety agencies.

The System has the flexibility to avoid such overlap yet consultations suggest the Tribunal has not adequately considered existing regulatory systems when making orders.

“ALC maintains that improving safety in the heavy vehicle industry must be based on achieving greater compliance and awareness of [Chain of Responsibility](#) (part of the Heavy Vehicle National Law)” he said.

“In 2016, steps will be taken by Transport Ministers to amend Chain of Responsibility laws including the introduction of a ‘primary duty of care’ into the current Chain of Responsibility that will be similar in nature to those contained in workplace health and safety legislation.

“Also expected is the introduction of a new risk-based approach to heavy vehicle inspections and changes to how codes of practice are treated under the Heavy Vehicle National Law.

“There needs to be greater effort by all stakeholders to promote understanding and compliance with Chain of Responsibility obligations, which is invariably ignored by proponents of the Road Safety Remuneration Tribunal,” he concluded.

Links:

ALC [Submission](#) on the Road Safety Remuneration System – January 2014

ALC [Submission](#) on the Road Safety Remuneration Orders – April 2013

ALC [Statement](#) to House of Representatives Committee on the Road Safety Remuneration Bill 2011 – February 2012

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