



ALC POLICY ON 'SAFE RATES'

NOVEMBER 2011

Introduction

The Australian Logistics Council (ALC) lodged a submission on the *Safe Rates Safe Roads* Discussion Paper in February 2011, which expressed concern about the proposal to institute yet another layer of regulation upon the industry.

ALC made three clear points:

- » We called for a clearer statement on why further statutory intervention is required.
- » We asked how such an intervention would lead to benefits not already achieved through other national laws dealing with safety issues.
- » We called for a Regulatory Impact Statement and Cost Benefit Analysis to be provided that articulates the cost to industry and the community through implementing the new scheme.

No response to these points has been made.

Another layer of bureaucracy is unnecessary

The heavy vehicle industry is subject to numerous regulations and legislation at both the state and national levels relating to driver safety. These include a Heavy Vehicle National Law due to commence on 1 January 2013, (which will include national Chain of Responsibility provisions), Independent Contractor legislation and model Workplace Health and Safety legislation due to commence on 1 January 2012.

The introduction of *another* layer of legislation will not necessarily lead to improved safety outcomes when health and safety matters are already adequately dealt with under these other legislative requirements.

Safety works best when industry takes a leadership role

ALC is committed to supporting practical schemes that enhance safety along the entire supply chain. This support is demonstrated by our development of the National Logistics Safety Code of Practice which provides industry with a simple, equitable and effective way to improve and maintain safety across the entire supply chain. This self-regulating mechanism is a proven way to deliver enhanced safety across industry and in ALC's view, will deliver superior safety results.

'Safe Rates' needs further work

With industry facing increased costs to implement this proposed new scheme, the Government must undertake a comprehensive and in-depth regulatory impact statement and cost benefit analysis before legislation is introduced into the federal parliament. Both investigations must:

- » involve full and open consultation with industry
- » spell out what additional safety outcomes the proposed new system will achieve
- » why current statutory schemes are insufficient to protect worker safety.



ALC Position on Safe Rates:

1. A clear statement is needed as to why further statutory intervention is required and how it will introduce benefits not already likely to be achieved, given:
 - » the improvement in safety levels recognised in the **Safe Rates Safe Roads** Discussion Paper;
 - » the development and adoption of Chain of Responsibility concepts across the entire supply chain;
 - » the development of national and comprehensive laws dealing with safety issues contained in the Heavy Vehicle National Law and the national Workplace Health and Safety Model legislation;
 - » the provisions of independent contractors legislation; and
 - » the current regime of workplace health and safety laws.
2. Freight chain participants should be encouraged to work to develop further safety outcomes through the Chain of Responsibility concepts that are becoming embedded and accepted within the industry.
3. Chain of Responsibility, and the National Heavy Vehicle Regulator, should be given time to develop before introducing another statutory based system designed to encourage safety.
4. A new tribunal should not be created nor should a new tribunal or existing tribunal have powers conferred on it to determine matters relating to owner drivers (however defined).
5. A Regulatory Impact Statement and Cost Benefit Analysis must be provided that articulates:
 - » the cost to industry involved in implementing the new scheme, particularly the small regional and local operators who make up the majority of the organisations in the sector. This includes additional costs involved in having to comply with obligations that may be imposed under the proposed safe rates system that are similar to obligations imposed by other statutory schemes (such as, for example, Chain of Responsibility obligations);
 - » why current statutory schemes are insufficient to protect worker safety; and
 - » the additional safety outcomes the proposed new mechanisms are expected to achieve over and above the safety improvements recognised in the **Safe Rates Safe Roads** Discussion Paper.

ALC's submission on **Safe Rates** is available on the ALC Website www.austlogistics.com.au or

[CLICK HERE](#)

