



A case study encompassing the 'Sunraysia/Riverland Region'
(New South Wales, South Australia and Victoria)



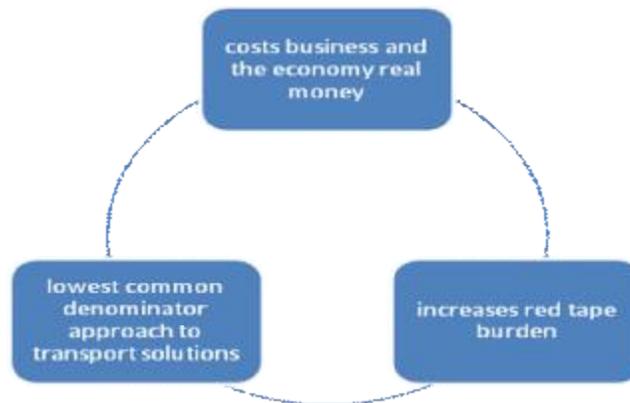
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1 Executive Summary

To ensure the Transport and Logistics (T&L) industry operates safely, efficiently and competitively, appropriate regulation by governments must be applied in a nationally consistent manner. Unfortunately inconsistent, and at times, inappropriate regulation places major imposts on today's business resulting in;



Nationally the cost of lost productivity caused by inconsistent regulation far exceeds \$100 million pa.

The Sunraysia/Riverland Region, encompassing the adjoining cross border regions of New South Wales, Victoria and South Australia, is a major food producer for the domestic and export markets, with vibrant industries including wine and horticulture.

It is a prime example of the challenges and impacts cross border regulation forces on to the T&L industry in the region and the wider economy.

The variation in regulation between the jurisdictions often forces operators to use the '**lowest common denominator approach**' i.e. the vehicle type or transport solution that is acceptable to all jurisdictions, even if it is the least efficient for the task at hand.

To enhance the future competitiveness and viability of export and domestic businesses in this region four key priority areas with recommendations and actions have been identified.

Priority Area 1	Adopt nationally consistent regulation
Priority Area 2	Expand access for Higher Productivity Vehicles
Priority Area 3	Adopt National Codes
Priority Area 4	Coordinate cross border transport systems

What is already being done by governments?

The Australian Transport Ministers Council (ATC) are undertaking an ambitious reform agenda which will address some of the recommendations made in this report, including the introduction of National Registration and Licensing for Heavy Vehicles.

Industry applauds these moves and this report includes supporting recommendations to reinforce the necessity for jurisdictions to fully deliver on this reform to deliver the full benefits to T&L industry as well as Australia's economy and wider community.

Why is productivity important?

Many of the recommendations in this report advocate higher productivity vehicles (HPVs) which are often larger trucks. Some sectors of the community raise concerns that this gain of productivity is to the detriment of safety on our roads.

The T&L industry is absolutely committed to safety but strongly believes that increased productivity in heavy vehicles can also bring safety improvements. For example PBS approved vehicles are more productive yet meet the equivalent or better than current Australian Design Standards. Similarly three B Doubles can take the equivalent to two semi-trailers and B triples are even more efficient, reducing dramatically the number of trucks on our roads. It is important that public debate is fully informed on these issues.

What are the actual costs to industry and Australia?

During the course of consultation many examples of direct and indirect costs to industry were reported. It should be remembered that any increase in the cost to business will result in further cost to the community at the grocery store and reduction of our export competitiveness.

Costs identified include up to \$250 to \$750 per load saving if access to Higher Mass Limit (HML) is enabled, with similar benefits for HPVs. Multiplied over the tens of thousands of heavy vehicle movements based on the Sunraysia/Riverland region alone, this figure equates to tens of millions of dollars each year. This cost to society is also evident in other cross border regions throughout Australia. In determining these costs, the report focuses on the impact of heavy vehicles because the majority of freight in and out from the Sunraysia/Riverland region travels by road, instead of rail, due to a lack of investment in the rail system.

What other regions are affected?

Other regions affected by regulatory inconsistencies between states include;

- Echuca/Moama;
- Albury/Wodonga;
- "The Green Triangle" timber zone encompassing the south western region of Victoria and the south eastern region of South Australia; and
- Tweed Heads/Coolangatta.

Next Steps

This report identifies four key priority areas with recommendations and associated actions.

The actions involve solutions developed after consultation with all stakeholders in the industry. Solutions include technology projects, training programs, pilot projects involving local operators and industry advocacy at the State and Federal level for the ongoing need of consistent regulation.

A Sunraysia Summit will be hosted in 2009 with delegates from government, industry and associations from the appropriate jurisdictions to progress an action plan to implement the reports recommendations.

1.1 Key Priority Areas and Recommendations

Priority Area 1 - Adopt nationally consistent regulation

Recommendations:

- Industry strongly supports reforms for national heavy vehicle laws, national heavy vehicle registration and licensing schemes
- Industry strongly supports single national heavy vehicle and rail safety regulators to administer and apply the laws consistently

Priority Area 2 - Expand access for Higher Productivity Vehicles

Recommendations:

- Enable Higher Mass Limit (HML) access on an expanded network, particularly in New South Wales with Intelligent Access Program (IAP), subject to bridge capacity, conferring immediate HML access
- Expanded B-double and B-triple access at State and Local Government levels with appropriate cost recovery
- Governments to expedite the national rollout of Performance Based Standards (PBS) including the migration of existing networks to the equivalent PBS network and a 2b network for SMART higher productivity vehicles such as Super B doubles as a priority
- Governments, in particular Victoria, to raise truck and dog mass limits, subject to bridge capacity
- Pilot streamlined over size and over mass conditions on selected cross border routes within the Sunraysia/Riverland Region

Priority Area 3 - Adopt National Codes

Recommendations:

- Industry adoption of an overarching umbrella National Code for the Transport and Logistics (T&L) industry
- Industry adoption of a National Code for the regulation of dangerous goods including high consequence
- National Load Restraint Guide to be consistently administered across State borders through a national heavy vehicle regulator

Priority Area 4 - Coordinate cross border transport systems

Recommendations:

- Development of tri-partite agreements for key commodities across borders to port
- Streamline quarantine Interstate Certification Assurance (ICA) Scheme processes to enable commodities to move efficiently across state borders
- Development of online intelligent transport solutions to improve regulatory compliance

1.2 *Recommendations and Actions*

Priority Area 1 - Adopt nationally consistent regulation

Industry strongly supports reforms for national heavy vehicle laws, national heavy vehicle registration and licensing schemes

- The Federal Government to weight road funding in favour of projects aimed at improving access for HPVs along the full corridor.
- Road funding from AusLink and Infrastructure Australia as well as local road grants, where appropriate, should be weighted towards States that have taken steps to adopt the national standard regulation including full and open access.
- Industry strongly supports the National Fatigue Reforms however the Federal Government should immediately act to ensure the Regulations are consistently adopted across states.
- In recognition of the high level of supply chain inter-connectivity, declaration of Sunraysia/Riverland, including adjacent areas of NSW, as a region where nationally uniform legislation can apply, pilot the National Fatigue Reform Package on a trial basis for an agreed period of time subject to review and evaluation
- The ALC and state freight councils to advocate (at both the State and Federal level) the need for a consistent approach to fatigue management regulation and its compliance in order to avoid additional unnecessary cost and legal burden on the Transport and Logistics sector.

Industry strongly supports single national heavy vehicle and rail safety regulators to administer and apply the laws consistently

- The current Australian Transport Council (ATC) harmonisation of the National Registration and Licensing Scheme should be expedited to ensure the historical inconsistencies are removed.
- The ATC to review current inconsistent road laws and regulations with the intention of uniform implementation.

Priority Area 2 – Expand access for Higher Productivity Vehicles

Enable Higher Mass Limit (HML) access on an expanded network nationally, particularly in New South Wales (NSW) with the implementation of Intelligent Access Program (IAP), subject to bridge capacity, conferring immediate HML access

- IAP registration in NSW to confer immediate HML access for transport operators. In addition, NSW should, as a priority, expand HML access throughout the State.
- Industry must work with and encourage regulators to assist local government in understanding the ramifications and costs of not having HML access. This should include identification of bridges, intersections and other infrastructure that inhibits expansion of HML and/or multi-combination networks
- State road authorities to collaborate with local councils to facilitate development of HML networks within their jurisdiction and propose the establishment of a mechanism to give local councils funding to enable HML access and ongoing infrastructure maintenance.

Expanded B double and B triple access at state and local Government levels with appropriate cost recovery

- Enable the publication of all B double and B triple routes, PBS network and rest areas etc consolidated on a single website mapping portal hosted by the National Transport Commission (NTC).
- Industry to work with Local Governments in understanding the economic benefits of the efficiencies delivered by the expansion of B double and B triple routes.
- Phased cost-recovery of B doubles to facilitate the continued roll-out of a wider network.

Governments to expedite the national rollout of Performance Based Standards (PBS) including the migration of existing networks to the equivalent PBS network and a 2b network for SMART higher productivity vehicles such as Super B doubles as a priority

- The NTC ensure the PBS application process for design approval is streamlined and clearly understood by operators and manufacturers.
- Governments to migrate their existing networks to the equivalent PBS networks and focus on mapping wider PBS networks to maximise the productivity and safety of the reform.
- Government and industry to engage and educate local government on improved access for SMART and HML trucks.

Governments, in particular Victoria, to raise truck and dog mass limits, subject to bridge capacity

- In the Sunraysia Region, Victoria should give immediate priority to raising truck and dog trailer mass limits in accordance with general mass limits (GML) consistent with NSW and SA practice.
- Victoria sponsor a “blueprint” 20 metre truck and dog SMART heavy vehicle to operate at higher mass, subject to route approval.

Pilot streamlined over size and over mass conditions on selected cross border routes within the Sunraysia/Riverland Region

- Implementation of a locally supervised pilot project to streamline oversize and over mass conditions on selected routes with an agreed set of common conditions. Pilot to include representation from all jurisdictions.

Priority Area 3 - Adopt national codes

Industry adoption of an overarching umbrella National Code for the Transport and Logistic (T&L) industry

- Transport providers and users to embrace industry based codes. The Australian Logistic Council's National Logistics Safety Code is currently being finalised to deliver a streamlined and nationally consistent framework for transport and logistics.

Industry adoption of a National Code for the regulation of dangerous goods including high consequence

- Industry to advocate to Federal Government the issues surrounding the implementation of the High Consequence Dangerous Goods legislation and the need for a National Code (similar to the ALC Retail Logistics Supply Chain code of conduct).
- Development of a simplified national code for all dangerous goods and hazardous substances including an accompanying plain English explanatory guide

National Load Restraint Guide to be consistently administered across state borders through a national heavy vehicle regulator

- Development of a common training program for regulators and operators within the Sunraysia/Riverland Region every two/three years to ensure a consistent understanding and practise of restraint guides.
- Development of a plain English version of the national code for load restraint

Priority Area 4 - Coordinate cross border transport systems

Development of tri-partite agreements for key commodities across borders to port

- Mildura Transport and Logistics Cluster to coordinate a Sunraysia/Riverland Freight Summit with a view to developing an action plan for development of tri-partite agreements to enable seamless movement of key commodities across borders to port.
- Invite NSW, SA and VIC to provide Industry and Ministerial representation and support.

Streamline quarantine Interstate Certification Assurance (ICA) Scheme processes to enable commodities to move efficiency across state borders

- Industry to work with the appropriate authorities to develop an inspection regime for commodity movements which reduces the compliance burden and delays for movement of product in the region. Schemes that are local or national in nature (in this case involving inspectors at State borders) are best reviewed at the local level through industry bodies.
- Development of a website which provides up-to-date information in real time on current quarantine requirements.

Development of online intelligent technical transport solutions to improve regulatory compliance

- The NTC to develop nationally consistent reconciliation of compliance data automatically from transport operators through the introduction of new technology.
- NTC, in consultation with the States, to develop a single website portal for access to information, mapping, permits and paperwork required for effective cross border activity. This would allow transport operators to plan the most cost-efficient route and rest stops.

1.3 About This Project

The ALC in conjunction with the Victorian Government Department of Innovation, Industry and Regional Development (DIIRD) commissioned this project. The project brief was to identify rules and regulations related to the T&L industry that impact on the efficiency and effectiveness of operators and freight customers in the Sunraysia (which includes New South Wales, Victoria and South Australia) region.

The focus of the project has been on the 'cross-border' anomalies that produce inconsistent regulation between states, and its effect on business. As such, the focus is not on the merits of these regulations, rather the effects of having different regulations in different States (or different interpretations or enforcement rules), and to attempt to quantify those differences. This report also suggests ways in which these differences and the resulting costs could be reduced or eliminated.

The brief was to consider:

- Road transport regulations, including permits (types, costs, duration) and specific commodity schemes for vehicles and axle mass
- Road transport taxes and charges
- Driver regulations including insurance, fatigue management, training, licensing and road rules
- Route restrictions, curfews and load limits
- Storage and handling
- Occupational Health and Safety
- Employment Conditions
- Business administration and taxation

The project was also asked to:

- Quantify the impacts and where possible provide case studies to demonstrate their impact; and,
- Provide suggestions as to how some of these differences might be resolved in a way that will benefit efficient and effective transport outcomes.

The project deliverables were to include:

- Case studies identifying the operational and cost impacts associated with these regulations, viz. cross border regulatory issues and how they relate to the transport and logistics sector and exporters in the region; and
- Recommendations to improve the situation

1.3.1 Project Approach

This project was a collaboration between DIIRD and ALC, and was assisted by a steering committee representing State and sectoral interests. The project steering group consists of representatives from the:

- Australian Logistics Council
- Mildura Transport and Logistics Regional Round Table
- Freight and Logistics Council of NSW (FALCONSW)
- South Australian Freight Council
- Victorian Freight and Logistics Council
- Victorian Transport Association
- Victorian Department of Innovation, Industry and Regional Development

The ALC commissioned Perkins Group to undertake the research needed to develop this report and in doing so, extensive consultations with businesses, government and industry organisations in the Sunraysia/Riverland Region as well as with Government bodies and other groups in Adelaide, Melbourne and Sydney were conducted.

1.3.2 Why the Sunraysia/Riverland Region?

The Sunraysia/Riverland Region is ideally situated as a location to highlight cross border regulatory issues within the Transport and Logistics (T&L) industry. The local suppliers all operate within three adjoining States as well as under the Federal regulatory regime. The key centres include:

- Remark, Berri, Wakerie and Loxton in **South Australia**
- Wentworth, Dareton, Buronga, Gol Gol and Euston in **New South Wales**, and
- Merbein, Mildura, Red Cliffs, Irymple and Robinvale in **Victoria**

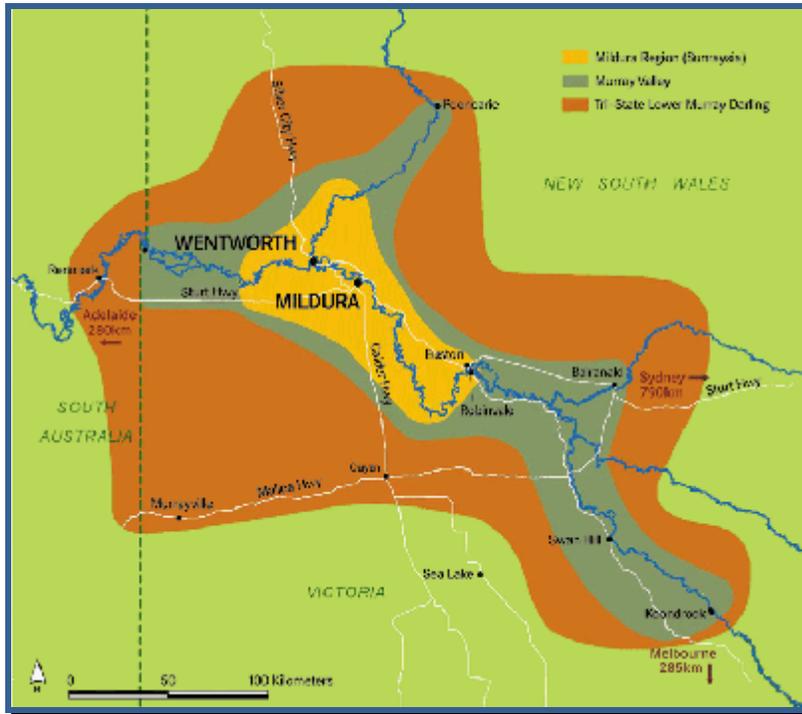
Fig 1 - The Sunraysia Region



The region's key centres are all intrinsically linked in servicing the horticulture and wine industries, which are large generators of local, interstate and international freight movements. The region is also a major contributor to Australia's export volumes and has an increasingly diverse mix of enterprises from mining through to horticulture and broad acre farming.

The Sunraysia Mallee Economic Development Board¹ (SMEDB) has collected data on agricultural production for the region around Mildura. Their data collection covers either the Mildura/Sunraysia region (shown in yellow) or the broader Murray Valley region. The region produces over 20% of the total Australian wine production.

Fig 2 - The Mildura / Sunraysia Region as defined by SMEDB



Source: Sunraysia Mallee Economic Development Board

Many of the commodities have a strong export focus with more than 80% of the wine and over 40% of citrus being exported. Wine is one of the most valuable industries for the region and has the strongest export focus of the commodities listed.

Table 1

Commodity	Year	Production (\$ million)		Export focus (% exported)
		Mildura region	Murray Valley	
1 - Wine	2007		139	80% (1)
2 - Table grapes	2007	230 (2)		Unavailable
3 - Citrus	2006/2007	71		43% (3)
4 - Dried Fruits	2007	17		30% (5)
5 - Nuts (almonds)	2007	120		50% (6)

(1) Data from the Murray Valley Wine Grape Growers Inc.

(2) Data from the Australian Table Grape Association Inc.

(3) Data from the Murray Valley Citrus Board

(4) Data from the Horticulture Australia, and Australian Dried Fruits Association

(5) Data from the Almond Board of Australia

¹Source: Sunraysia Mallee Economic Development Board, <http://www.growmilduraregion.com.au/>

1.4 Regulation disparity – The cost to industry

Transport operators and freight generators identified many issues that differ between the three States in the Sunraysia/Riverland Region which add to the cost of conducting business and moving freight. The issues identified as adding extra cost in conducting business are due to cross border regulation disparity. The impacts of regulatory disparity are most evident in the T&L sector where cross border activity occurs as a daily occurrence and transport operators are left to deal with the issue on behalf of the export community.

The impact of regulatory disparity can be easily observed within the freight vehicle/equipment area where the financial and administrative cost of working within multiple state schemes (i.e. different state regulations for Heavy Vehicle Access, enforcement practices and border permits) are in place. These disparities have a direct impact on the regions ability to compete in the domestic and global export market which in turn affects the balance of trade figures. These impacts also affect decisions regarding new investment and reinvestment in the region and, as a consequence, regional job opportunities and employment.

Three examples of direct costs impacting transport operators are detailed below.

1.4.1 Wine Case Study – The costs of transporting wine products to port

The wine industry has developed into a major export earner for Australia. In this region it is generating around \$100 million pa or around 1/3rd of the regions exports. It has a small number of very large players as well as an extensive list of medium to small producers.

As the industry has grown, winery size has grown. Some wineries are now handling over 100,000 tonnes of grapes per annum and are highly capital intensive enterprises.

*Fig 3 - Foster winery at Karadoc in Victoria
Buronga*



Current capacity around 70,000 tpa

*Fig 4 - McGuigan Simeon winery at
in NSW*



Current capacity around 125,000 tpa

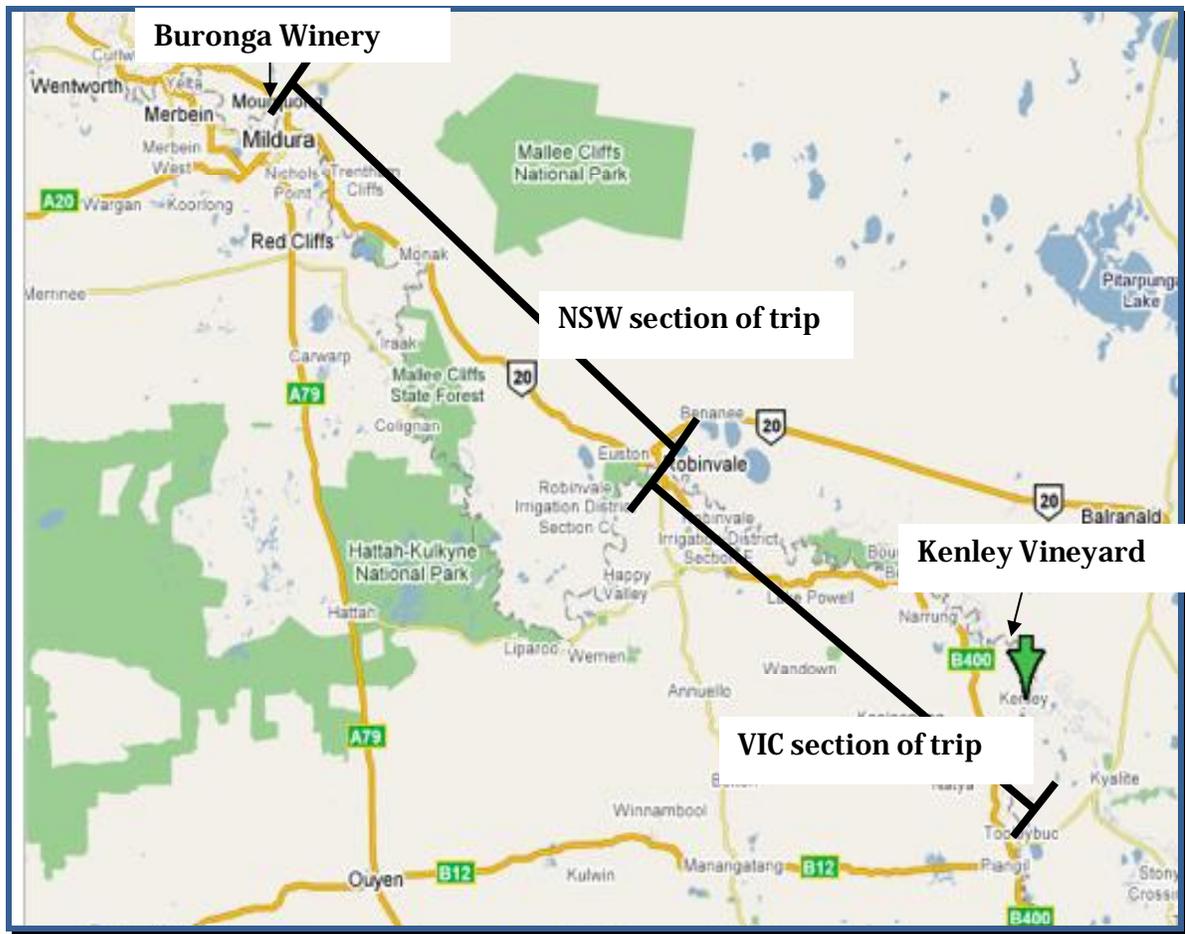
As a result of this growth, wineries must increasingly source grapes from further afield. In the case of wineries in the Mildura region, this can mean grapes from Griffith and parts of South Australia.

McGuigan Simeon

McGuigan Simeon has a 20,000 tonne capacity vineyard at Kenley, which is on the Victorian side of the Murray, 70km south east of Robinvale. They harvest grapes from February through to the end of April each year, which gives some 70 days of processing based on a 6 day week. This is a seasonal surge activity that many agricultural crops such as grains, grapes, stone fruits and others face each year. They cart to their winery in NSW, just over the border from Mildura.

To get to their winery they need to transit 70km of Victorian roads into Robinvale, and then the balance of the journey to McGuigan Simeon at Buronga on the Sturt Highway in NSW.

Fig 5 – McGuigan Simeon Grape Route



McGuigan Simeon has calculated that the most efficient vehicle for their grape harvest movement is a High Performance Vehicle (HPV) with a carrying capacity of some 46 to 48 tonnes at current General Mass Limits. They are currently using conventional semi trailers with a payload of around 23 to 24 tonnes. These vehicles are acceptable for use in both Victoria and NSW. While NSW allows road train use, Victoria does not currently permit their use on the Murray Valley Highway between Kenley and the bridge into NSW at Robinvale. They have also investigated other combinations including B Doubles and B triples (an analysis of the cost of operating these vehicles for this task is included as Appendix 4).

SNAPSHOT

Analysis indicates that the most efficient vehicle is a road-train and using this vehicle, savings are of the order of \$7 to \$9 per tonne. This offers up to a 36% reduction in transport costs for this task compared with the current semi trailer operation. Importantly it also offers a reduction of up to 56% in the number of truck trips. Given the expectation of strong increases in transport rates (**Appendix 6, reference DD**), then these savings are both significant and go some way to offsetting future cost increases.

Whilst grape prices (refer http://www.growmilduraregion.com.au/wine_grape_production.php) are of the order of \$450 per tonne in this region, then savings of around \$7 to \$9 per tonne are only of the order of 1.5 to 2% of the worth of the grapes, however these savings still amount to in excess of \$150,000 per annum for this one vineyard alone.

The region has winery capacity of around 110,000 tonnes on the Victorian side of the border and in excess of 125,000 north of the border in NSW. Whilst there are no firm figures available, if it is assumed that 50% of grapes sourced need to cross borders and are using semi trailers rather than more efficient road trains then the cost to the wine industry, in the region, is around \$1.6 to \$2 million per annum.

IMPACT

Escalating transport costs = The expected sharp increases in transport costs will mean that this figure is likely to escalate at a rate in excess of 10% per annum for coming years resulting in cost of at least \$3 million per annum within 5 years. This is compounded by the lack of uniform road transport regimes.

This has a direct impact on the price competitiveness of Australian wine exports competing in global markets.

1.4.2 Higher Mass Limits and Intelligent Access Program

Model national legislation supporting higher mass limits (HML) for heavy tri axle equipped vehicles was approved by the Australian Transport Council Transport Ministers in 2000. For a conventional semi trailer combination this could mean a typical 9% payload increase (Appendix 6, reference B). For B Doubles, the gains were greater at around 13% (Appendix 6, reference C). The offer of these gains was very attractive at that time. However the ability to capture the benefits has proven to be more difficult than first imagined.

Vehicles with tri-axles have to participate in a National Heavy Vehicle Accreditation Scheme (NHVAS) in order to access benefits. Even though each state agreed to the model legislation, the degree to which the road networks in each state were opened up to allow access has varied dramatically. Victoria has the most extensive HML network, with NSW being one of the most restricted. Recent moves by NSW are starting to see more routes made available to HML vehicles. Major routes in SA are available to HML vehicles and also B-Doubles. While the issues behind HML access are relatively well known and seem to revolve around upgrades to bridges and the associated costs and funding, there are now other issues that have further complicated the ability of transport operators and their customers to access this national reform. These include the coupling of the Intelligent Access Program (IAP) as an additional condition for access to HML in NSW (Appendix 6, reference D). Other States have not followed the NSW position at this stage, although South Australia has indicated it will waive some of its paperwork requirements (specifically the need to carry a Route Compliance Certificate) for HML if operators use IAP.

SNAPSHOT

Australian operators nationally have invested between \$100 to \$150 million in HML compliant tri-axle trailers (**Appendix 6, reference E**) since the introduction of higher mass limits in 2000 (**Appendix 6, reference F**). In addition, each prime mover equipped with HML compliant suspension also adds \$5000 to the price of each truck (**Appendix 6, reference G**). Since 2000 this is estimated to have added a further \$100 million in new truck investment (**Appendix 6, reference H**). In total this is a \$200 to \$250 million investment by transport operators in HML compliant equipment since 2000.

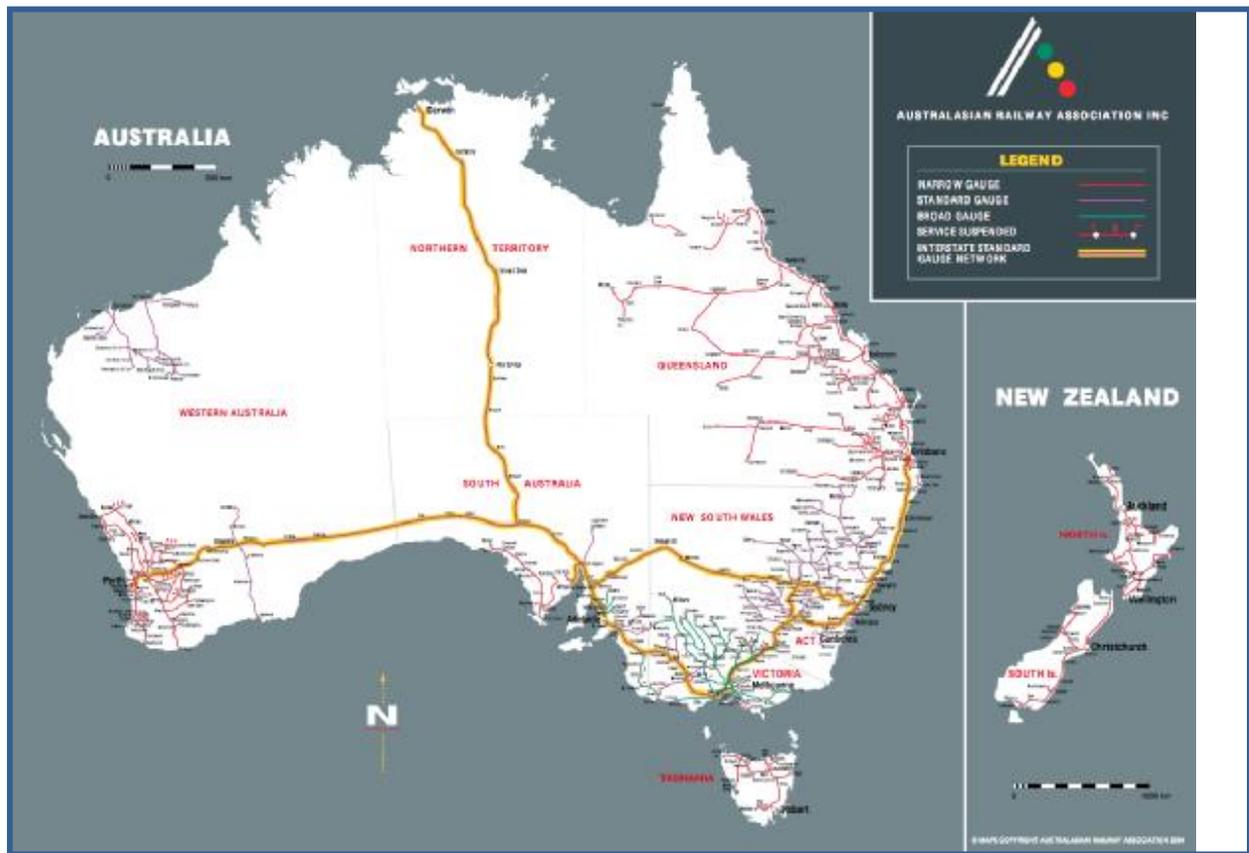
IMPACT

Lack of HML Access = HML heavy vehicles are more efficient, transporting more freight per load. Lack of HML access prevents transport operators passing on the potential cost savings and also makes the goods they carry less competitive, both domestically and in the export market.

1.4.3 Break of gauge

For over 100 years the States have lived with the consequences of decisions to adopt different rail gauges around Australia. Break of gauge was effectively a trade barrier which entrenched each state's transport networks to favour that state's ports and internal goods exchange. Rail operators, now performing a national distribution task, are still grappling with gauge issues, particularly in Victoria where the recent Victorian Government commissioned Fischer report has recommended conversion of some Victoria lines to standard until the complete network is standardised. For details on the Fischer report. ("[Switchpoint: The template for rail freight to revive and thrive!](#)" (PDF, 2 MB, 77 pp.)) please refer to <http://www.doi.vic.gov.au/DOI/Internet/Freight.ns>

Fig 6 - Australian railways and gauges

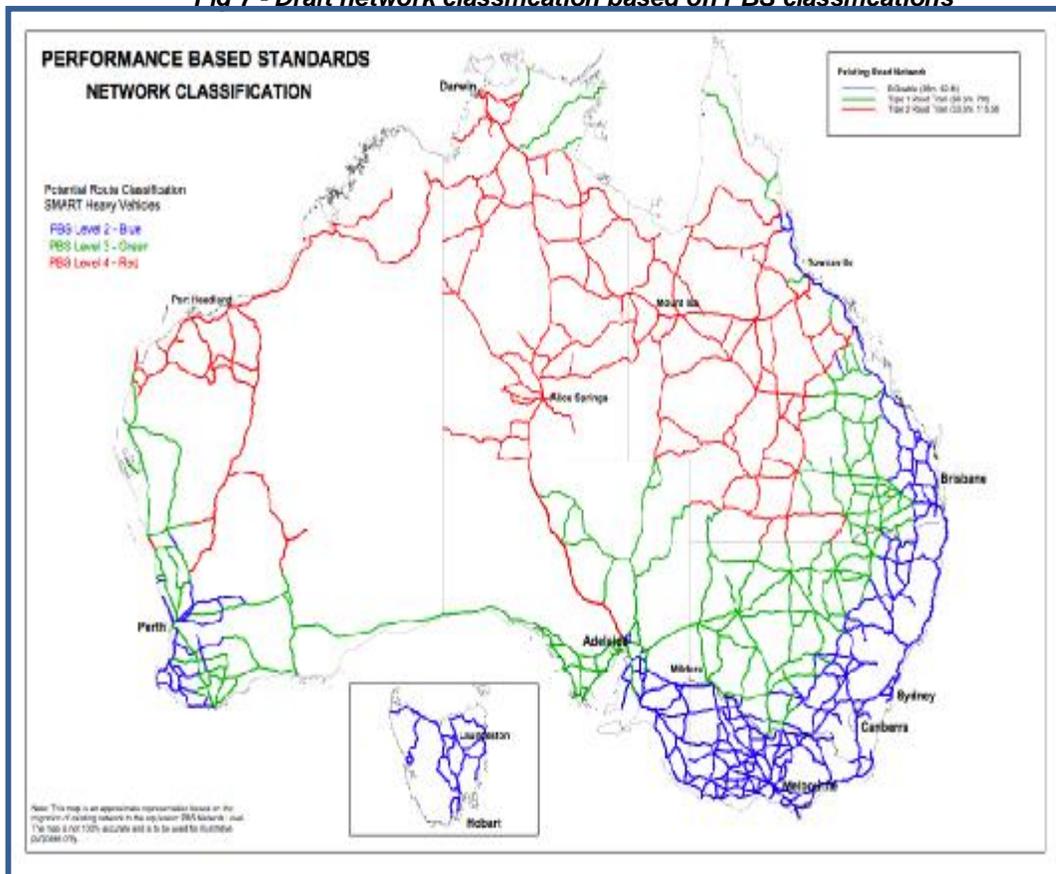


Source: Australasian Railways Association

As a parallel to rail's experience, permits to use State road networks often stop at borders, forcing operators to either break up larger combinations or use combinations that are acceptable to all the States that they travel through. The most recent attempts to produce a nationally consistent network are based on National Transport Commission's Performance Based Standards (PBS) principles

(Appendix 6, reference A). This project is aimed at producing more transparent access conditions for specific vehicle types and to minimize any “break of gauge” issues.

Fig 7 - Draft network classification based on PBS classifications



Source: National Transport Commission

SNAPSHOT

For operators in border regions, they are often faced with a lowest common denominator approach in that they can only use vehicles that are mutually acceptable to the adjoining States if their journey takes them into multiple jurisdictions. A major wine producer estimates that if there was access for B-triples in Northern Western Victoria and the Riverland approximately 30,000t could be carted by B-triple. This would reduce the number of truck trips during harvest by 200 when compared to B-doubles.

IMPACT

Lowest common denominator = Where the regulations vary the most stringent and economically restrictive option must be taken by cross border operators, increasing cost (to / for) both the transporter and the end customer.

2 Adopt nationally consistent regulation

2.1 *Inconsistent heavy vehicle access on cross border key roads*

As a result of the state responsibility for transport regulation under the Australian constitution, there has been effectively a 'break-of-gauge' with regards to the implementation of consistent regulation across the nation.

There are currently strong indications that state and territory governments are willing to work towards nationally consistent regulation through the current National Transport Reform Agenda being advanced by the Australian Transport Council. However, there is a well-established tendency for inconsistent regulation to be adopted and reluctance by some jurisdictions to progress the opening up of access regimes to Higher Productivity Vehicles (HPV). This is particularly felt in cross-border areas, such as the Sunraysia/Riverland Region, resulting in increased compliance costs to businesses and increases in transport inefficiencies.

The challenge of consistent national regulation is one that has been addressed by the National Transport Commission (NTC) and its predecessor, the National Roads Transport Commission (NRTC). Despite their attempts to produce template legislation and encourage the States to adopt these templates, there is an increasing tendency to produce State specific regimes.

IMPACT

Break of Gauge = States' introduction and enforcement of inconsistent state regulation on industries that cross borders, in particular transport, is effectively a barrier to interstate and international trade.

The Action

- **Industry strongly supports reforms for national heavy vehicle laws, national heavy vehicle registration and licensing schemes.**
 - The Federal Government to weight road funding in favour of projects aimed at improving access for HPVs along the full corridor.
 - Road funding from AusLink and Infrastructure Australia as well as local road grants, where appropriate, should be weighted towards states that have taken steps to adopt the national standard regulation including full and open access.

2.2 Inconsistent Application of the National Fatigue Reform Package

The Australian Transport Council (ATC) has approved new national laws (Appendix 6, reference R) to manage heavy vehicle driver fatigue. These were implemented by most jurisdictions by September 2008. The new laws are consistent with current obligations under Occupational Health and Safety (OH&S) laws that also require employers and employees to take reasonable steps to manage driver fatigue.

However, in New South Wales (NSW) in particular, the Occupational Health and Safety (OH&S) Long Distance Driver Fatigue Regulation 2005, adds a layer of complexity to OH&S rules and is not wholly consistent with the national fatigue reform package.

The new national fatigue laws apply to both trucks and buses. They apply to a truck with a Gross Vehicle Mass (GVM) of over 12 tonnes or a combination if the total of the GVMs is over 12 tonnes. They also apply to a bus with more than 12 seats, including the driver. The laws do not cover plant items (machines or implements).

The key elements of the National Heavy Vehicle Driver Fatigue reform include:

- accreditation schemes to manage fatigue risks
- a general duty (consistent with OH&S laws)
- guidelines for managing heavy vehicle driver fatigue
- chain of responsibility provisions
- strengthened record-keeping (work diary)

The three scheme options are:

- standard hours ('default' 12 working hours a day)
- basic fatigue management (BFM) (14 working hours a day with accreditation)
- advanced fatigue management (AFM) (accredited risk management approach)

While State Ministers have supported the legislation, three States have indicated they will not adopt a common approach. The differences flagged to date are:

- New South Wales and Victoria plan to reduce working-limits for Advanced Fatigue Management (AFM) and rejected the special 'rest areas' defence for short breaks in Standard Hours
- In Victoria and NSW, BFM and AFM accredited operators will be required to provide lists of drivers to the accrediting agencies. SA is still considering this option
- Victoria did not support the provision for (longer) 'split rest' under Basic

Fatigue Management (BFM)

- Victoria intends to exclude a 'reasonable steps' defence for drivers and operators for heavy vehicle driver fatigue offences, consistent with the approach adopted by the State for implementation of the Compliance & Enforcement Bill
- Existing regulatory arrangements applying to the bus sector in New South Wales will remain in place

The uneven adoption of the National Fatigue Reform Package diminishes the benefits of this reform, and most operators interviewed were very concerned that the differences would impose a considerable cost burden on their business. The complexity of these new laws is expected to increase significantly the risk of prosecution due to unintended non-compliance. As the implementation phase of this new legislation will not occur until later in 2008, it is difficult to quantify the final impact of these variations across jurisdictions.

IMPACT

Inconsistent Fatigue Regulation = The different application of the proposed national fatigue model legislation has occurred due to states not focussing on, or acknowledging that inconsistent application could have negative safety impacts on the Transport industry, compromising the intention of this legislation

The Action

- Industry strongly supports the National Fatigue Reforms however the Federal Government should immediately act to ensure the Regulations are consistently adopted across states
- In recognition of the high level of supply chain inter-connectivity, declaration of Sunraysia/Riverland, including adjacent areas of NSW, as a region where nationally uniform legislation can apply, pilot the National Fatigue Reform Package on a trial basis for an agreed period of time subject to review and evaluation
- The ALC and state freight councils to advocate (at both the State and Federal level) the need for a consistent approach to fatigue management regulation and its compliance in order to avoid additional cost and legal burden on the Transport and Logistics sector.

2.3 Lack of national registration for Heavy Vehicles

The Federal Interstate Registration Scheme (FIRS) registration is available to heavy vehicles weighing 4.5 tonnes or over and engaged solely in interstate operations. A vehicle registered under FIRS may not be used for intrastate work, i.e. goods carried by a FIRS vehicle must be in the process of being delivered to an interstate address in a continuous journey (origin/destination documented in a consignment note).

The Scheme is designed to provide uniform charges and operating conditions for heavy vehicles engaged solely in interstate operations. It provided exemption from stamp duty for vehicles, whereas vehicles registered in States and Territories are not exempt. FIRS operate under the *Interstate Road Transport Act 1985*, the *Interstate Road Transport Regulations 1986*, the *Interstate Road Transport Charge Act 1985* and the *Interstate Road Transport Charge Regulations 2001*.

Operators in the Sunraysia/Riverland Region, particularly those on the Victorian side of the border feel that this scheme unfairly penalises them for freight carried from Melbourne. Operators who are based across the river in NSW can legally use FIRS registration whereas Victorian based businesses cannot do so. A similar argument can apply to all cross border locations (i.e. businesses in NSW that haul from Sydney versus ones just over the border in Victoria, and also SA located businesses that move freight to and from Adelaide who have to compete with Victorian and NSW based carriers). The ATC recently announced their intention to move towards a single national registration and licensing scheme for Australia's 375,000 heavy vehicles by 1st July 2009 and this move is strongly supported by industry. (www.minister.infrastructure.gov.au/aa/releases/2008/May/AA039_2008.htm)

IMPACT

Lack of National Registration for heavy vehicles = Currently only trucks registered under FIRS operate under uniform registration conditions in every state. This only applies to vehicles dedicated to interstate trade, and intrastate operation of these vehicles is prohibited.

The Action

- **Industry strongly supports single national heavy vehicle and rail safety regulators to administer and apply the laws consistently**
 - The current ATC harmonisation of the National Registration and Licensing Scheme should be urgently expedited to ensure the historical inconsistencies are removed.
 - The ATC to give high consideration to review current inconsistent road laws and regulations with the intention of uniform implementation.

3 Expand access for Higher Productivity Vehicles

Transport and business operators identified four main issues regarding truck types and route access:

1. Higher Mass Limits (HML) access in each State
2. B double access at State and Local Government level
3. Road train access issues
4. Truck and dog mass differences between States

3.1 Restricted Higher Mass Limits access

Model National Legislation supporting HML for heavy tri axle equipped vehicles was approved by Transport Ministers in 2000 (refer Appendix 3). It allowed vehicles with “road friendly” suspension to operate with higher axle mass. For a conventional semi trailer combination this could mean a typical 9% payload increase (Appendix 6, reference B). For B doubles, the gains were greater at around 13% (Appendix 6, reference C). The offer of these gains was very attractive at that time. However the ability to capture the benefits has proven to be more difficult than first imagined.

Fig 8 –Higher Mass Limit

Vehicle Type	General Axle Mass Limit	Higher Mass Limit
	15.0	16.0
	22.5	23.0
	39.0	40.0
	42.5	45.5
	62.5	68.0
	79.0	85.7
	115.5	125.2

Vehicles with tri-axles have to participate in a National Heavy Vehicle Accreditation Scheme (NHVAS) in order to access benefits. Even though each State agreed to the model legislation, the degree to which the road networks in each State was opened up to allow access has varied dramatically. Victoria has the most extensive

HML network, with NSW being one of the most restricted. Recent moves by NSW are starting to see more routes made available to HML vehicles. Major routes in SA are available to HML vehicles and also B doubles.

Whilst the issues behind HML access are relatively well known and seem to revolve around upgrades to bridges and the associated costs and funding, there are now other issues that have further complicated the ability of transport operators and their customers to access this national reform. These include the coupling of the Intelligent Access Program (IAP) as an additional condition for access to HML in NSW (Appendix 6, reference D). Other States have not followed the NSW position at this stage, although South Australia has indicated it will waive some of its paperwork requirements (specifically the need to carry a Route Compliance Certificate) for HML if operators use IAP.

The net result of the HML reforms from 2000 are that almost all tri-axle vehicles in Australia are now built to comply with HML requirements (Appendix 6, reference E), yet most do not enjoy the benefits of increased mass limits despite also participating in the National Heavy Vehicle Accreditation Scheme (NHVAS, the so called second hurdle for HML access). Until recently this was predominantly driven by a lack of declared HML routes in NSW. Now that these routes are being opened up, operators find they face the additional IAP requirements to secure HML access.

Failure to implement the HML scheme in NSW has therefore limited mass on vehicles operating across the South Australian and Victorian borders into NSW. Further, the inconsistency has to date added cost to fleets operating cross border in terms of additional equipment specification, added complexity to their businesses with heavy vehicle maintenance and mass management schemes without gaining any associated mass benefits.

SNAPSHOT

Australian operators nationally have invested between \$100 to \$150 million in HML compliant tri-axle trailers since the introduction of higher mass limits in 2000 (Appendix 6, reference F). In addition, each prime mover equipped with HML compliant suspension also adds \$5000 to the price of each truck (Appendix 6, reference G). Since 2000 this is estimated to have added a further \$100 million in new truck investment (Appendix 6, reference H). In total this is a \$200 to \$250 million investment by transport operators in HML compliant equipment since 2000.

While no studies appear to have been done on the ability of these trucks and trailers to exploit HML masses, it is likely that the percentage that enjoys HML benefits is low. Best estimates are that around 10% of the HML compliant fleet are regularly benefiting from HML mass increases (Appendix 6, reference I). Of these 10% approximately 3,600 vehicles have pre-enrolled in NSW. The readiness of transport operators to seize the opportunity of HML is in contrast to the regulators enacting HML access around the country.

CASE STUDY – B Triples and AB Triples into New South Wales

The NSW Government has announced that B Triples and AB Triples can gain access to approved routes in western New South Wales, with the IAP being a condition of access.

Major industries throughout western New South Wales can benefit from increased mass capacities of up to 90.5 tonnes GCM for B-Triples and 113 tonnes GCM for AB-Triples. This is a significant increase beyond the maximum 79 tonnes GCM that was previously available for Double Road Trains in New South Wales.

Being able to carry the extra weight has been strongly sought by the farming communities and mining operators in western New South Wales for many years.

The B Triples can now carry extra pay load, providing farmers with additional deck space to carry more livestock and for the mining operators to carry more mineral sands. These productivity gains may be passed onto the retailer and ultimately to the end consumer. Here is a perfect example of how the IAP has been used to respond to industry's demands for more productive vehicles in return for demonstrating to the relevant road authorities (in this case the Roads and Traffic Authority in New South Wales) that the vehicles are complying with agreed access conditions.

It also demonstrates how a transport operator participating in the IAP can increase productivity through improved access, reduced trip frequency and higher permitted loads, creating an advantage over their competitors.

One operator estimated that the ability to HML between the Sunraysia, Melbourne, Sydney and Brisbane could save the operation over \$700,000 per year. However they also estimated the cost of registering fully with IAP was over \$200,000, not including the substantially increased administrative burden.

<http://www.iap.gov.au/Media/docs/AB-69f22b22-3612-40a5-a6df-001c194ff01e.pdf>

The failure of HML to deliver on its promise now also faces the additional cost and complexity of the IAP scheme, although this is expected finally to deliver mass benefits to vehicles operating on a wider network of NSW roads. Some would maintain that upgraded "road friendly suspensions" are good for roads and therefore there has been a maintenance benefit. Others would point to the safety and good business practice dividend from NHVAS schemes and in addition, IAP could also deliver a significant productivity boost if used constructively.

However, operators feel that the original promise of HML came with considerable baggage that no one fully understood at the time. They still feel that State regulators are pursuing inconsistent agendas and not giving sufficient priority to improved productivity. Operators on the border are faced with a "highest common denominator" approach in that they will have to belong to all schemes and participate at the highest level in order to access HML across borders. They consider they bear significant regulatory imposts with little productivity gain to date.

IMPACT

Restricted higher mass limits access = HML heavy vehicles with road friendly suspensions carry more freight resulting in the need for less trucks on our roads than if there is no HML provision and a lower cost to the end consumer.

The Action

- **Enable HML access on an expanded network, particularly in New South Wales (NSW) with the implementation of Intelligent Access Program (IAP), subject to bridge capacity, conferring immediate HML access**
 - IAP registration in NSW should confer immediate HML access for transport operators. In addition NSW should, as a priority, expand HML access throughout the state.
 - Industry must work with and encourage regulators to assist local government in understanding the ramifications and costs of not having HML access. This should include identification of bridges, intersections and other infrastructure that inhibits expansion of HML and/or multi-combination networks
 - State road authorities to collaborate with local councils to facilitate development of HML networks within their jurisdiction and propose the establishment of a mechanism to give local councils funding to enable HML access and ongoing infrastructure maintenance.

3.2 Restricted B double & B triple access

Declared B double routes in each State are listed on each of the road agency web sites. The information available on each site varies according to State. The table below lists the available information on each site and the amount and complexity of paperwork that drivers need to be aware of and carry with them when travelling across state borders.

Table 2 - B Double Access at State and Local Government Level

State	Available Information
Victoria	<ul style="list-style-type: none"> • The Victoria Roads website provides lists of roads and maps (Appendix 6, reference J); Victoria Roads also have hard copy brochures that have excellent maps of all Victorian roads. • The publication, Local Roads Approved for B-doubles and Higher Mass Limits Trucks, May 2006 • The Information Bulletin, B-doubles and Higher Mass Limit Trucks, May 2004 • Any specific permits issued by VicRoads
NSW	<ul style="list-style-type: none"> • The Road Traffic Authority have over 200 pages of road listings by Shire (Appendix 6, reference K). Maps are referenced, and are on the web but difficult to find and difficult to download. They also have permit notices on the website. • A full copy of the Road Transport (General) Act 2005, General B-Double Notice under Division 4 of Part 2 of the Road Transport (Mass, Loading and Access) Regulation, 2005
South Australia	<ul style="list-style-type: none"> • The Transport SA web site has 45 separate maps (Appendix 6, reference L) with little guidance as to what they are, plus a listing of regulations. • An operator travelling from South Australia, through Victoria and into NSW on declared B Double routes needs to have the following documentation: <ul style="list-style-type: none"> • The Government Gazette Notice and B-double Code of Practice book • A complete and current copy of all the DTEI maps showing the approved route to be travelled for the journey – there are 45 separate maps on the web site • These documents are minimum requirement and do not cover combinations that exceed 25 meters in length or 4.3 meters in height.

The implication of this approach to regulations is that it makes genuine compliance more challenging than it would be if systems were more consistent and accessible. Time constraints are such that while compliance is the goal, operational demands cannot always wait while the paperwork is being attended to. As a result the tasks get ahead of the paperwork and sometimes the approval process.

IMPACT

B double Access = Two B doubles can take the equivalent freight as can be carried on three normal semi trailers, reducing the need for further trucks on the road. In addition it has been found B doubles may be up to 4 times safer than 6 axle semi trailers due primarily because fewer trucks are required and they are driven on better roads by highly trained drivers. (Refer NTC website)

The Action

- **Expanded B double and B triple access at state and local Government levels with appropriate cost recovery.**
 - Enable the publication of all B double and B triple routes, PBS network and rest areas etc to be consolidated on a single website mapping portal hosted by the National Transport Commission (NTC).
 - Industry to work with Local Governments in understanding the economic benefits of the efficiencies delivered by the expansion of B double and B triple routes.
 - Phased cost-recovery of B doubles to facilitate the continued roll-out of a wider network.

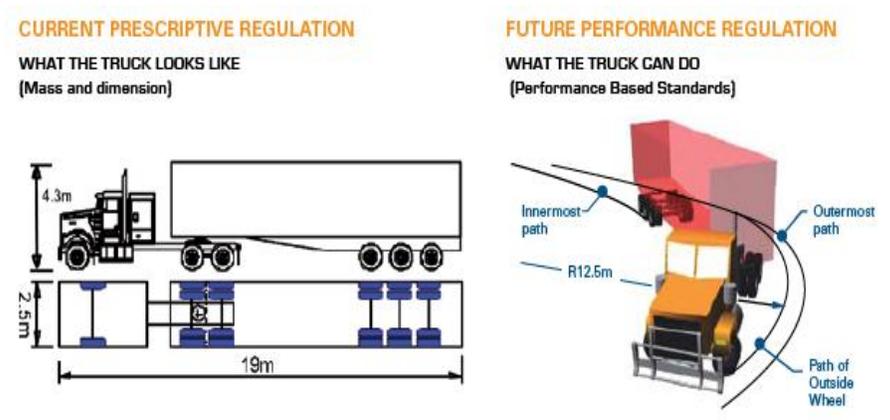
3.3 Performance Based Standards

The intention behind the introduction of Performance Based Standards vehicles is to allow more productive vehicles to be used on our roads when they meet performance based standards, or in other words by how the vehicle behaves on our roads and what it can do. Traditionally, heavy vehicles have had to meet inflexible Australian Design Rules (ADRs), which measured vehicles on a rigid basis of length, dimensions and mass.

PBS gives operators the ability to apply for permits to use vehicles “outside the square” of the ADRs where they meet the PBS requirements.

The end result is trucks that can carry more freight while being safer on the road and producing less total emissions. As a result businesses, and Australia as a nation, are more competitive.

Fig 9 –PBS Diagram



	Regulation	Technology	Safety	Road access	Productivity potential
Prescriptive Regulations	Length and axle mass limits	Rules require regular review to 'catch up'	Poor proxy for safety	Limited by worst performing vehicle in its class	Limited
PBS Regulations	Vehicle safety and road wear and bridge protection standards	Encourages innovation and new technologies	Robust standards for stability, safe turning and stopping.	Granted by vehicle on its merits and operational risk	Strong

Source - <http://www.ntc.gov.au/ViewPage.aspx?page=A02312401400290020>

Table 3 - PBS Performance Levels

STANDARD	DESCRIPTION
Longitudinal performance (low speed)	
Startability	Ability to commence forward motion on specified grade
Gradeability	Ability to maintain forward motion on specified grade; and achieve a minimum speed on 1% grade.
Acceleration capability	Ability to accelerate either from rest or to increase speed on a road.
Longitudinal performance (high speed)	
Overtaking time (under review)	Time taken for a car to safely overtake.
Tracking ability on a Straight Path	Swept width while travelling on a straight path, including the influence of variations due to crossfall, road surface unevenness and driver steering activity.
Infrastructure related performance measures - pavement related	
Pavement Vertical Loading	Acceptable vertical forces applied to the pavement
Pavement Horizontal Loading	Acceptable horizontal forces applied to the pavement
Directional Performance (low speed)	
Low Speed Swept Path	The maximum width of the swept path in a prescribed 90° low speed turn.
Frontal Swing	Maximum lateral outswing of the front outside corner of the prime mover and trailer.
Tail Swing	Maximum lateral out-swing of the outside rear corner of the truck or trailer as the turn commences.
Steer Tyre Friction Demand	Maximum steer tyre friction in a prescribed low speed turn.
Directional performance (high speed)	
Static Rollover Threshold	The steady-state level of lateral acceleration that a vehicle can sustain during turning without rolling over.
Rearward Amplification	Measures the 'whip crack' effect of a lane change manoeuvre.
High Speed Transient Offtracking	The lateral distance that the last-axle on the rear trailer tracks outside the path of the steer axle in a sudden evasive manoeuvre.
Yaw Damping Coefficient	The rate of decay of the "sway" from the rearmost trailer after a single pulse steering movement.
Directional Stability Under Braking	The ability to maintain stability under braking.
Infrastructure related performance measures-pavement related	
Pavement Vertical Loading (NTC is reviewing this standard)	Degree to which vertical forces are applied to the pavement.
Infrastructure related performance measures-bridge related	
Bridge Loading (under review)	The maximum effect on a bridge measured relative to a reference vehicle

Reference: <http://www.ntc.gov.au/ViewPage.aspx?page=A02312409400300020>

Unfortunately, industry has found the implementation and approval processes for IAP time consuming and inconsistent. This has arisen both in the approval of vehicles and the identification and access to the state road networks.

Despite a COAG direction for states and territories to classify their road networks into four PBS access levels and also for network maps to be published by December 2007, many are still to be completed. In particular Victoria has indicated that access to the road network is to be assessed on an individual, case by case basis and the PBS networks will not be published.

There is also the need to consider the “last mile” which is often local government roads off the state network connecting to freight terminals etc. This requires the assessment and approval of these roads, usually on a case by case basis by councils. Some, particularly smaller councils, haven’t the ability to undertake the required road and bridge assessments.

This leads to uncertainty, increased costs, delays in or the inability to invest in Higher Productivity Vehicles by industry. Also the cost savings use of PBS vehicles would generate cannot be passed on to customers and end consumer.

The Action

- **Governments expedite the National rollout of Performance Based Standards (PBS) including the migration of existing networks to the equivalent PBS network and a 2b network for SMART higher productivity vehicles such as Super B doubles as a priority.**
 - The NTC ensure the PBS application process for design approval is streamlined and clearly understood by operators and manufacturers.
 - Governments migrate their existing networks to the equivalent PBS networks and focus on mapping wider PBS networks to maximise the productivity and safety of the reform.
 - Government and industry to engage and educate local government on improved access for SMART and HML trucks.

3.4 Victorian Truck and Dog Mass Limits

Both NSW and SA treat these rigid truck and dog trailers in accordance with general mass limits for axle mass. They allow General Mass Limits for these vehicles. Victoria however, de-rates tandem axles such that the total combination is 3 tonnes below the mass allowed in NSW and SA for the equivalent vehicle (Appendix 6, reference O).

Operators in Victoria have long been frustrated with this difference in mass. It is a long standing issue and one that, if resolved would provide consistency for this important vehicle combination.

The NTC has been examining this issue (with a view to harmonisation) for some years but has not yet handed down a report.

IMPACT

Inconsistent truck and dog mass limits = The different treatment of General Mass Limits for axle mass between states mean vehicles loaded appropriately for New South Wales and South Australia are unable to operate in Victoria with the same loads.

The Action

- **Governments, in particular Victoria, to raise truck and dog mass limits, subject to bridge capacity**
 - In the Sunraysia Region Victoria should give immediate priority to raising truck and dog trailer mass limits in accordance with general mass limits consistent with NSW and SA practice.
 - Victoria sponsor a “blueprint’ 20 metre truck and dog SMART heavy vehicle to operate at higher mass, subject to route approval.

3.5 *Complex over size and over mass conditions*

Rules for the control of oversize, indivisible loads are complex. South Australia, New South Wales and Victoria each have different permit conditions to cover over width and over mass loads (Appendix 6, reference S). Victoria has summarised its conditions for in excess of 35 metres in length and widths in excess of 5.5 metres. The other States have not, and are a matter for individual negotiation and issuing of permits where warranted.

Overall there are differences in escort arrangements, convoys, night time travel and particularly hand over arrangements at borders where it is often difficult to find an appropriate place to stop and affect the handover.

The NTC review of heavy vehicle mass and loading, over size and over mass, and restricted access regulations, May 2006 (Appendix 6, reference T) noted in its conclusions:

“Both government and industry agreed that the reforms had failed to reduce their respective costs of administration. This is despite the views of transport authorities and peak bodies that the reforms had reduced the number of permits needed and the view of peak bodies that the reforms had reduced the time taken to get permits. In contrast, transport operators reported that the reforms had not reduced the number of permits needed, nor the time taken to get a permit. Clearly the reforms have failed to remove the need for permits. Accordingly the reforms could be considered to have failed to achieve the objective of reducing administrative costs by removing the need for permits.”

Comment from both operators and government representatives have endorsed the above conclusions.

IMPACT

Over size and over mass = Rules governing the movement of over size and over mass loads vary between states and gaining permits is complex and time consuming adding cost and delays to cross border movements.

The Actions

- **Pilot streamlined over size and over mass conditions on selected cross border routes within the Sunraysia/Riverland Region**
 - Implementation of a locally supervised pilot project to streamline oversize and over mass conditions on selected routes with an agreed set of common conditions. Pilot to include representation from all jurisdictions.

4 Adopt National Codes

4.1 *Complying with multiple codes*

A number of the companies interviewed were able to list the various compliance schemes that they needed to comply with and gave an estimate of the time taken to administer these schemes.

Their major cross border compliance matters include:

- Safe T Cam and related systems
- General compliance around load restraint and vehicle weight and dimensions
- Safety related issues across the three States
- Dangerous Goods compliance
- Cross border fresh produce certification
- Licensing requirements for fork lifts, side loaders
- AQIS requirements for export containers

SNAPSHOT

One medium sized transport operator in the Sunraysia/Riverland Region indicated that they had up to two staff dedicated to handling these issues. While all companies must manage compliance, it would appear that the compliance effort in border regions is increased because they deal on a daily basis with the three different State jurisdictions.

Major transport companies based in State capitals or major centres also deal with these issues if they wish to travel across the three States, and it would seem that the paper trail for Sunraysia/Riverland Region businesses is no greater than that for all transport businesses that operate across these States. Even accepting that this is the case, the reality is that the paper trail is not optimal and is a cost to all transport businesses that wish to operate across State borders. The total cost of this duplication is very difficult to pin down, but the example of High Consequence Dangerous Goods regulation (see section 5.2) suggests that a doubling of the administrative effort is a likely outcome compared with a more streamlined, nationally consistent model.

IMPACT

Compliance burden = Where requirements vary between jurisdictions cross border transporters must ensure their compliance with the highest obligation of the differing regulations. A National Code would set out a clear procedure for compliance.

The Action

- **Industry adoption of an overarching umbrella National Code for the T&L industry.**
 - Transport providers and users to embrace industry based codes. The Australian Logistic Council's National Logistics Supply Chain Code is currently being finalised to deliver a streamlined and nationally consistent framework for transport and logistics.

4.2 Multiple state licences for high consequence dangerous goods

One outcome of increased security measures in recent years has been to introduce controls over access to ingredients for the making of explosives. The Australian Government introduced legislation in 2004 to control the availability of these "high consequence dangerous goods" and this was subsequently adopted by each of the States and Territories during 2005.

Each State jurisdiction has taken their own path in enacting this legislation and has increased the regulatory burden without necessarily improving the security outcome for these dangerous goods.

The Australian Explosives Industry and Safety Groups (Appendix 6, reference AA). submission to the Productivity Commission review of Chemicals and Plastics Regulations (Appendix 5, reference BB) in October 2007 listed the costs of obtaining required licences and permits from each State (see Appendix 4).

Table 4 – State license costs:

State	Number of licences	Total cost
South Australia	4	\$300
New South Wales	8	\$10,000
Victoria	7	\$400

SNAPSHOT

These licences are unique to each State. An operator seeking to operate across the three borders would therefore require 19 licences and have to pay close to \$11,000 for these licences.

They also note that across the seven member companies of the Australian Explosives Industry and Safety Group, these regulations have added \$2.5 million in capital and annual operating costs of around \$5.6 million per annum. They estimate that their costs of regulation could be cut by at least 50% if there was a nationally consistent approach to the regulation of high consequence dangerous goods.

The Australian Explosives Industry and Safety Group made five observations about the inconsistencies that the regulations have caused their members:

- The current requirement for a person to be licensed in the jurisdiction in which that person is currently working (even if that person is fully licensed elsewhere) creates inconvenience and expense with no benefit other than demonstrating State sovereignty.
- The current requirement for a regulator to approve a security plan for only that part of an interstate journey which falls within the regulator's own jurisdiction means a separate security plan has to be prepared and approved for the journey through the next jurisdiction and the next if there is one.
- Major differences exist between jurisdictions on how an individual licensed/authorised person can document his/her licence status on request particularly when that person has been stopped for inspection in a jurisdiction other than their own.
- The coverage's of licences in different jurisdictions differ markedly. As a result it is difficult to impossible to purchase a single licence in the new jurisdiction which will duplicate all the functions of the licence you already hold; in all probability the new jurisdiction will have a different coverage from the previous one.
- The duplication of location and security obligations between regulatory obligations from the Security Sensitive Ammonium Nitrate (SSAN) Principles and similar obligations under the Major Hazard Facilities (MHF) National Standard.

Their analysis demonstrates that relying on State driven template legislation inevitably increases costs and reduces effectiveness. In the case of high

consequence dangerous goods it is almost impossible to achieve compliance without huge cost, and the risk of unintended compliance is highly probable. It is hard to determine who the winner from this approach to regulation is.

There is no doubt that compliance would be simpler if functions were merged between jurisdictions and the industry could be focused on complying with one and only one set of regulations irrespective of the jurisdiction involved.

IMPACT

High Consequence Dangerous Goods = While there is national model legislation State and Territory jurisdictions are responsible for enacting and enforcing this scheme. This has resulted in ad hoc differences in regulation and licensing.

The Action

- **Industry adoption of a National Code for the regulation of dangerous goods including high consequence.**
 - Industry to advocate to Federal Government the issues surrounding the implementation of the High Consequence Dangerous Goods legislation and the need for a National Code (similar to the ALC Retail Logistics Supply Chain code of conduct)
 - Development of a simplified national code for all dangerous goods and hazardous substances including an accompanying plain English explanatory guide

4.3 Inconsistent implementation of the National Load Restraint Guide

Operators in the Mildura region observed that the three States had differing administrative processes to managing load restraint and that this caused confusion and often resulted in fines being imposed.

For South Australia there is no information on the Department of Transport, Energy and Infrastructure (DTEI) web site on load restraint. For NSW, they include a web link to the nationally endorsed Load Restraint Guide. By comparison, VicRoads provides eight separate guidance notices for the restraint of specific products including steel, rolls and plate, concrete pipes, bales, loads on light vehicles, logs and timber and the retro fitting of tarpaulins (Appendix 6, reference V).

Local operators also felt that the national Load Restraint Guide was overly technical and not specifically helpful for operators who had practical queries such as the use of ropes on vehicles. They appreciated the provision of the VicRoads guidance notes, but felt that more could be done to provide a national approach to this issue. They also felt that fines needed to be better explained as enforcement often generated fines that at times did not seem to match the severity of the offence.

IMPACT

Load Restraint = Load restraint is a vital principle underpinning heavy vehicle safety. Confusion on requirements can lead to negative safety consequences including causing serious accidents.

The Action

- **National Load Restraint Guide to be consistently administered across state borders through a national heavy vehicle regulator**
 - Development of a common training program for regulators and operators within the Sunraysia/Riverland Region every two/three years to ensure a consistent understanding and practise of restraint guides.
 - Development of a plain English version of the national code for load restraint

5 Coordinate cross border transport systems

5.1 Deployment of High Performance Vehicles

High Performance Vehicles (HPV's) are restricted access vehicles. Their movements and conditions of operation are specified by gazette notices in NSW and SA (Appendix 6, reference M). Road trains can access the south-western corner of NSW. There are road train routes in South Australia that connect to NSW in the region around Broken Hill, but none further south around the Sunraysia study area. There are no cross border routes for road trains between South Australia and Victoria in the study region around Sunraysia.

Fig 10 - Typical road trains used in New South Wales



Picture courtesy of Kenworth (truck pictured is a "Kenworth T908")

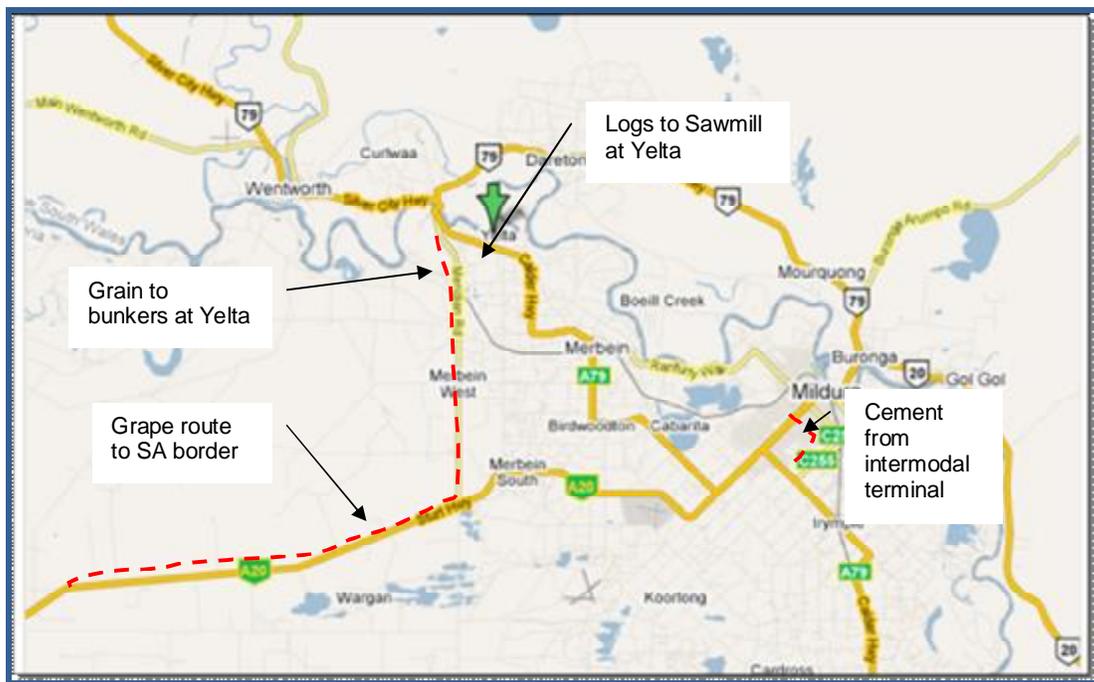
Victoria has a long held policy of not permitting road trains access. However, there are some permits in existence for short distances into Victoria for:

- the transport of cement (from Adams Street intermodal terminal in Mildura),
- grain (to the bunkers just south of the river at Yelta) and also for logs at Yelta.

These are long standing permits to facilitate short, cross border movements.

More recently Victoria approved a road train route from the Yelta Bridge near Mildura to the South Australian border via the Sturt Highway (see map below). This permit issued in December 2007 is for the movement of grapes (Appendix 6, reference N). While this appears to be a significant concession for grape carters in Victoria and NSW, it lacks any overall strategy, as it requires South Australia to also allow these vehicles access to wineries in the Riverland area. South Australian authorities have indicated that they are unlikely to agree to road train access on the Sturt Highway in SA as the road is considered not suitable in general for road train operations and requires strategic consideration of safety and infrastructure issues.

Fig 11 - Road train routes – Victoria



Transport operators can use road trains along the Murray in NSW but in general not cross into Victoria except in a small number of permitted cases. Victoria has agreed to allow the grapes to transit the northern corner of the State, but South Australia is unwilling, due to long standing infrastructure issues, to permit them into South Australia along that route.

IMPACT

HPV Access = Key products produced and processed within a region that crosses a state border are unable to use the most effective means of transport to all processing plants thereby either adding cost to the transportation process or becoming a de facto barrier to competition.

5.2 Inconsistent Mass Limits Concessions for Exports

States in Australia operate a large range of mass concession schemes. They have been introduced over a considerable period of time to accommodate specific commodities or industries such as livestock, rural produce, grain, exports and other sectors.

All States operate local mass concession schemes designed to assist specific industries such as grain or livestock or containerised exports or imports. Of particular relevance to this study are the schemes that are designed to assist export businesses. Each State assists these industries with mass concessions. A summary is shown below.

Table 5 - Export schemes relevant to study zone

State	Scheme	Details
Victoria	Rural export	Export containers to rail head. Up to 50 tonnes gross (formerly 45t) and subject to vehicle and load assessment
Victoria	Dynon Rail to wharf	48t GVM for 6 axle vehicles between Dynon rail terminal to wharf including Webb Dock on specified routes
Victoria	Dock to Rail Heavy Freight route	B double and super B double scheme with axle mass of up to 34t on tri, 42t on quad, 26t on tandem and 7t on steer. Maximum mass is 109t for super B Double and 101t for B double. Route is restricted to Dock Link Rd and roads around Swanson and Appleton Docks
SA	Export Containers	49.5t GVM for export containers. Subject to annual permit
SW	Intermodal scheme on local and regional roads	Scheme uses HML mass limits for containerised traffic on local and regional roads. Requires support of local government including weighbridge confirmation of mass

Many of these schemes are now considered to be out-dated and inappropriate in the light of legislation in the last five to ten years covering OH&S, chain of responsibility, driving hours and Performance Based Standards (PBS) for vehicle design and access. Further detail on proposed OHS reforms can be obtained from the 23 May 2008 communiqué from the Workplace Relations Ministers Council (*Appendix 4, Reference HH*).

The old ways of granting permits are becoming less defensible against these new laws and the threat of personal liability.

South Australia has produced a Heavy Vehicle Access Framework policy (*Appendix 6, reference W*) to:

“..provide long-term policy and strategic direction to improve the regulatory regime and route network access for Heavy and Restricted Access Vehicles in South Australia. It provides the policies and guidelines for the strategic development of heavy vehicle freight networks in South Australia and the maps which identify Key, General and Commodity freight routes developed from the policies and guidelines.”

This initiative is a step towards achieving a more rational and consistent approach to decision making. It attempts to provide a more consistent framework that appears to be lacking in the export schemes as previously stated.

Mass Concession Schemes by both Victoria and South Australia are offered for heavy containers for export. In the case of Victoria, the scheme allows for vehicles with a gross of 50 provided they are within 50km radius of a rail terminal and are shipping through that terminal. This scheme appears to have been designed to capture the export container from the Mildura Region for transfer by rail from Merbein (Mildura's rail head) to the Port of Melbourne.

By comparison, South Australia will allow heavy containers up to a gross vehicle weight of 49.5 tonnes provided they are consigned via the Port of Adelaide, or an SA railhead for subsequent rail deliver for export through any port in Australia. In some cases this can mean that containers delivered to Adelaide are rail transferred for export through Melbourne. This transfer is undertaken at the cost of the shipping line.

In most cases these mass concession schemes have been in place for a considerable period of time. Some jurisdictions have indicated that they are either not often used or are no longer promoted.

IMPACT

Mass limit concessions = States have mass concession schemes for exports travelling to port. The expansion of these schemes to apply to either ports or rail heads in the neighbouring state will encourage the most effective and efficient method of moving exports to port.

To enable specific cross border issues, such as the differences in HPV access and mass limit concessions, to be resolved at the regulatory level, a model that enables industry and government collaboration is seen as most effective. A precedent for this model has recently been established by the establishment of a 'Green Triangle Freight Summit; which was convened by the Victorian and South Australian Governments on 9 May 2008 in Portland and Mt. Gambier.

This model enabled accurate, prioritised issues to be presented by industry to the relevant ministers and regulatory bodies. Additionally, issues which could be resolved quickly that will produce immediate economic benefits whilst minimising regulatory burdens can be identified.

This model requires input from the relevant State Ministers and their, advisors, industry bodies, state freight councils and operators to be successful.

The Mildura region has an existing industry body operating (Mildura Transport and Logistics Cluster) and it is proposed that this body coordinate a similar summit encompassing the Sunraysia/Riverland Region.

The Action

- **Development of tri-partite agreements for key commodities across borders to port.**
 - Mildura Transport and Logistics Cluster to coordinate a Sunraysia Freight Summit with a view to developing an action plan for development of tri-partite agreements to enable seamless movement of key commodities across borders to port.
 - Invite NSW, SA and VIC to provide Industry and Ministerial representation and support.

5.3 *Inconsistent quarantine inspections*

Supervision of cross border movements of agricultural products has long been practiced to provide a level of protection against the spread of pests and diseases. Whilst each State has differing schemes (Appendix 6, reference X) they have also collaborated to provide an Interstate Certification Assurance (ICA) Scheme (Appendix 6, reference Y) designed to meet plant health certification requirements but also to minimise the cost of certification of produce.

For transport operators carrying product that is not certified as part of the ICA they must carry manifests and provide these to inspectors at the border inspection points.

Information on each States requirements is available on web sites for each of the States and is generally of a high quality (Appendix 6, reference Z).

A number of transport operators commented on the random nature of quarantine inspections and the delays in being stopped and inspected.

IMPACT

Inconsistent quarantine inspections = Each state has their own quarantine processes. While quarantine is vital to ensuring diseases and pests are contained, the administrative burden on cross border operations is far greater than those in non-border regions.

The Action

- **Streamline quarantine Interstate Certification Assurance (ICA) Scheme processes to enable commodities to move efficiently across state borders**
 - Industry to work with the appropriate authorities in developing an inspection regime for commodity movements which reduces the compliance burden and delays for movement of product in the region. Schemes that are local or national in nature (in this case involving inspectors at State borders) are best reviewed at the local level through industry bodies#.
 - Development of a website which provides up-to-date information in real time on current quarantine requirements.

#For example South Australia has Fruit Fly Free status. This scheme is both local and national in nature and impacts local and international exporting.

5.4 Proving compliance for double shift operators

South Australia and NSW have linked their Safe-T-Cam systems (Appendix 6, reference U) so they can detect vehicles that have travelled at excessive speeds, travelled beyond prescribed hours or committed other offences.

Some operators, who double shift vehicles and can therefore save on rest times at changeover points on the journey, are finding they are receiving notices of non conformance. To have these notices lifted operators must provide evidence along with a sworn statement to authorities. This “proof of innocence” is a major paper work challenge and often requires trips to Mildura to secure a signature. The concept of proving innocence seems the reverse of natural justice and operators would prefer a system where they can register as adopting these driving practices and not have to regularly prove their compliance via an extensive and time consuming paper trail.

IMPACT

Compliance burden = The burden of proving innocence for double shift operators results in considerable operational and administrative costs which are ultimately passed onto the consumer.

The Action

- **Development of online intelligent technical transport solutions to improve regulatory compliance**
 - The National Transport Commission (NTC) to develop nationally consistent reconciliation of compliance data automatically from transport operators through the introduction of new technology.
 - NTC, in consultation with the States, to develop a single website portal for access to information, mapping, permits and paperwork required for effective cross border activity. This would allow transport operators to plan the most cost-efficient route and rest stops.

An example of how successful a single website approach can be is highlighted by the Gold Coast and Tweed Shires implementation of the ‘Seamless Borders’ website (www.seamlessborders.com.au). The website is the result of local Councils working with state and federal government agencies to ensure all the information that a business needs in working within bordering council areas is accessible in the one place, and where possible the duplication is removed.

Appendix 1 – Interviews

These issues were recorded during interviews with operators in the Sunraysia/Riverland Region. Special thanks to the Mildura Transport and Logistics Cluster for assisting Perkins Group in arranging interviews and site visits.

Issue	Description	Specifics
Higher mass limits	NSW and Qld have imposed additional conditions for access to HML in their States	Both States require IAP as well as a number of other conditions before they will grant access to HML vehicles in those States. The HML network is also more restricted compared with Victoria and SA
Federal Interstate Registration Scheme (FIRS)	This registration scheme is restricted to vehicles that only do interstate work. It cannot be used for intrastate work and there are heavy fines (\$10,000 per infringement) for non compliance	Companies located in the border region believe they are disadvantaged compared to companies in the capital cities. The FIRS scheme is anomalous in that it allows for a continuation of an interstate journey but not an international (or internal state) journey
Fatigue management	The system for managing driver fatigue differs by State	NSW in particular was singled out for its complex, trip base rules. Victoria and NSW are not consistent in their approach to what is a national initiative. It is expected to get even more inconsistent as the national rules are brought into force in September 2008 Operators sometimes make errors due to time zone differences. Fines are steep (\$270 fine in SA for a log book error due to time zones)
Fatigue management – speed camera enforcement	Cameras in NSW and SA are now sharing data and generating infringement notices for vehicles that travel longer than permitted hours	Companies regularly swap drivers mid trip when they run out of driving hours. The camera system in NSW and SA is generating infringements for vehicles that travel longer than permitted hours. In instances where these vehicles are being operated legally operators are required to demonstrate their innocence by providing copies of driver log books as well as a sworn statements. This paperwork is extensive and time consuming and can take up to a day to complete and send in
B double access for local roads	Local Councils control access for B doubles on their road network	Councils vary in their approach to approving B Double access. Mildura Rural City Council has given a blanket approval for B Double access to all Council roads. Most other municipalities vary in their approach, approval time and conditions. SA offers an annual approval by vehicle. This is being phased out. Of the 3,000 permits on issue in SA 18 months ago, approx 2,500 have been converted to gazette under the Heavy Vehicle Access Framework
B double access to State roads	Victoria and SA have differing requirements	Victoria requires a Class 2 permit for all B doubles operated by a company. Once issued this covers the fleet for the year. SA requires an annual permit per truck with specified routes and trailers, but is in the process of phasing this out under the Heavy vehicle Access Framework
Border crossing permits	Department of Primary Industries requires border permits for certain types of produce	For example, South Australia's Fruit Fly Status Permit protects the region from potentially infected fruit from entering the region.

Inconsistent descriptions	Each State tends to use different terminology for essentially the same activity	Bulletins (Victorian term), permits (NSW term) and gazettes are terms used to describe essentially the same activity. In South Australia a gazette replaces a permit if the route is gazetted.
Compulsory third party insurance	Some different conditions for each State	
Wide loads	Different conditions for each State	States differ in times of travel and escort arrangements
Vehicle signage	Some different conditions for each State	
Driver licensing	Some different conditions for each State	
Different vehicle combinations	Road trains are accepted on some routes in NSW but not permitted in Victoria	<p>This is particularly significant for inbound grape deliveries during the harvest when the harvest must be transported to wineries for crushing. Delays and lost productivity mean that there can be significant cost imposts. Wineries are increasingly being centralised with a tendency to longer distance cartage of grapes (eg Griffith to Mildura and even WA to Barossa). The cross border issue arises mainly with wineries situated in Victoria that are denied road train access from vineyards in NSW or even further along the Murray on the Victorian side of the border.</p> <p>There are some limited road train permits in Victoria to allow grain vehicles to cross a short distance into Victoria at Yelta. Similarly there are permits for logs at Yelta and cement from Mildura railhead to travel north into NSW.</p>
	Truck and dog mass varies between NSW and Victoria	NSW recognises the extra axle in twin steer truck and dogs and allows them 47.5 tonnes compared with a maximum 45 tonnes in Victoria. South Australia allows slightly higher mass for truck and dog combinations compared with Victoria
IAP (Intelligent Access Program)	Method of verifying compliance using GPS tracking	Major concern that NSW and Qld would vary in its application by comparison with SA and Victoria
Load restraint	Consistent, easy to understand approach to load restraint and its enforcement	Seen as too complicated and that material available to drivers is not comprehensive or understandable. Victoria provides many guides for drivers but other States do not. Operators are sometimes confused as to what is permissible in which jurisdiction
CTP Insurance	Different insurance premiums for each State	Raised as a possible issue
Mutual recognition of competencies	Each State requires driver trainers to meet their requirements	Trainers face three different regimes to achieve recognition to train drivers
Mutual recognition of licences to operate earth moving equipment	Each state has differing arrangements for licensing and recognition of licences to operate earth moving equipment	Licences to operate forklifts and cranes are issued by each State and are generally recognised by each authority. However graders, bulldozers and front end loaders have different arrangements (generally competency based training). The suggestion is that a nationally accepted training package be implemented
National recognition of bus registration and	Each State differs in its registration processes, roadworthiness requirements, operator accreditation, driver	A wider range of issues where each State varies in its process and regulation. Operators in border regions must achieve recognition in each State for each of these issues. Whilst the variations are often small, the cumulative effect

roadworthiness , driver licensing and other controls	licensing and other rules to do with working with children, drug and alcohol policies, medical checks and concessional fares for passengers that cross borders	is quite large in terms of administrative effort and fees.
On road enforcement – mass and length	NSW and Victoria have different interpretation of enforcement and also differing penalties for the same infringement. Sometimes this can also differ between differing arms of enforcement agencies within the one State	Mass adjustment policy differs as does over length interpretation and fines
Mass concession schemes	States have developed concessional schemes for a variety of commodities to assist various industries	Victoria permits loads up to 50 tonnes GVM to be carried to rail head for export. SA allows up to 49.5 tonnes GVM for export containers to ports. These permits result in some roads having different mass limits on different sides of the same piece of bitumen road.
Oversize loads	Victoria, SA and NSW differ in their requirements for oversize loads. When these cross borders there are considerable differences and changeover issues	<p>There are three different sets of rules across the three States:</p> <p>SA assesses requirements on a load by load basis. They may require 2 motorcycle police and 2 pilots (not certified) per vehicle. Convoys are generally not permitted.</p> <p>Vic requires 1 VicRoads person and 2 certified pilots and vehicles can travel in convoy (outside Melb and Geelong metro). Victoria has a curfew on night travel. The other States do not</p> <p>NSW requires 1 Police person per vehicle and up to 4 pilots</p> <p>The changeover issues at borders are significant and often result in delays waiting for appropriate personnel to arrive</p> <p>Overwidth buildings are also treated differently. Victoria will not permit buildings in excess of 5.5 meters to travel by road. The Other States will allow this under permit</p>
High Consequence Dangerous Goods permits	To handle HCDG's a permit is required in each State	In Victoria, Worksafe issue and HCDG permit. For NSW it is an explosives card. WorkSafe SA tends to accept the Victorian card.

Interviews were held with numerous organisations which included but were not limited to those listed below. The time and assistance shown by the people who were interviewed is greatly appreciated.

Interviewee	Organisation
Bernie Sprague Chief Grape Buyer and Steve Fallon Logistics Manager	Aust Vintage (was Buronga Merbein Packaging (Aust Vintages local bottling plant)
Gordon Jennings Director - AustLink	AustLink (RTO) specialising in heavy vehicle and plant.
Richard Neagle Grape Intake Manager	Fosters Group Karadoc
Damien Matthews Managing Director	GTS Freight Management
Ken Hornsby Airport Development Officer Mildura Airport	Mildura Airport
Gary Healy General Manager Assets and Development and Lee Jones Team Leader Infrastructure Design Mildura Rural City Council	Mildura Rural City Council
George Buckley Branch Manager	Pickering Transport Mildura
Larry Piscioneri Managing Director and Dennis Tuit Fleet Manager	Piscioneri Transport
Costa Skiadas Business Development Manager	RDV Victoria
Gary Quirk Logistics Manager	SDS Beverages (Carrot Concentrate Processing Plant)
Ron Price Manager and Colin Dyke - Driver	Sunraysia Bus Lines
Andrew Millen CEO and John Irwin Chairman	Sunraysia Mallee Economic Development Board
Paul Bishop and Bernie Felan Transport Safety Officers Vic Roads	Vic Roads
Ken Wakefield Group Manager	Wakefield Transport

Other companies contacted	Organisation
Steve Farrow and Billy Fishwick	A&G
Ros Milverton	Basin Sands
Bryon Marshall and Ian Bellingham	Booths
Jane Evans	CJ Evans
Ian Squire and Steve Radford	Consolidated Plant & Quarries
Wayne Dyer	Dyer Trans
Barry Fletcher	Fletchers
Graeme Halliwell	FWG
Marty Rosensweig	Hahns Corp
Clayton Edson, Graham Bray, Wes Pickering	Harris Refrigeration
Dennis Hentschke	Hentschke Transport
Greg James	James TPT
Kevin and Sue Biggens	Kassulkes
KEWGS	KEWGS
Michael Bleeser	Mott Bleeser Logistics
Scott Virgo	Orlando Wines
Dean Collihole and Roger Pickering	PTG
Dennis Tuit	PTS
Angelo Lamattina	Rocky Lamattina and Sons.
Scott McDonald	Scott's

Appendix 2 – Issues raised by Sunraysia Operators

The initial issues that were raised by Sunraysia based operators and businesses were discussed with jurisdictions as well as with other organisations, including the NTC.

These issues are all contributing factors to the regions' reduced capacity to export within the global market. The issues (as identified by Sunraysia operators and businesses) were classified under:

1. Heavy Vehicle Access
2. Driver Fatigue Management
3. Over size, over mass movements
4. Compliance and Enforcement
5. Mass, Vehicle and Commodity schemes

The categories are not an exhaustive listing of cross border regulatory issues, but they represent those regarded by the Sunraysia based businesses as of highest importance to their operations.

This information was then used in the development of this report with consultation with operators as the report was finalised.

Appendix 3 – Higher Mass Limits

Subject to sufficient additional funding to upgrade bridges, Australia's Transport Ministers have approved the following increases in axle mass limits for vehicles fitted with road-friendly suspensions:

- 0.5 tonne increase on tandem axle groups, to 17.0 tonnes;
- 2.5 tonne increase on triaxle groups, to 22.5 tonnes;
- tonne increase on single drive axles on buses, to 10 tonnes; and
- tonne increase on six-tyred tandem axles, to 14 tonnes.

Also approved was a 0.7 tonne increase on the steering axles of long combination vehicle prime movers (i.e., road train and similar vehicles), fitted with wide single tyres, to 6.7 tonnes, regardless of the suspension type.

B-doubles and road trains can operate with the full increases on all axle groups, including on road train dollies. This means that the maximum legal mass of B-doubles can increase to 68 tonnes and triple road trains can increase to 125.2 tonnes. The table overleaf illustrates the general mass limit and higher mass limit for different types of heavy vehicles.

The increases apply to any road-friendly axle group. All axle groups on a vehicle or combination do not need to be road-friendly to gain an increase on each road-friendly axle group.

Requirements for Higher Mass

The main requirements for the higher limits are:

1. Road-friendly certification

For dual tyred suspensions to be considered road-friendly and eligible for mass increases, they must be certified as meeting the following performance standards, which will ensure effective load sharing and damping to contain pavement wear:

- a sprung mass frequency of no greater than 2.0Hz;
- minimum critical damping of 20 percent; and
- static load sharing to within 5 percent.

Vehicle Type	General Axle Mass Limit	Higher Mass Limit
	15.0	16.0
	22.5	23.0
	39.0	40.0
	42.5	45.5
	62.5	68.0
	79.0	85.7
	115.5	125.2

For vehicles built before 1 January 2000, air suspensions are presumed to be road-friendly and grandfathering provisions have been established by the relevant States and Territories.

The certification requirements are contained in Vehicle Standards Bulletin No. 11, available from the Commonwealth Department of Transport and Regional Services on telephone (02) 6274 6264 or on the Department's web site at www.dotars.gov.au/transreg/vsb/vsb_11.htm.

Each suspension model needs to be tested and certified, not individual suspensions on every vehicle or trailer. Any operator wanting to access higher mass limits must be able to demonstrate that the suspension on his/her vehicle is certified road-friendly and may receive evidence to this effect from relevant suppliers (i.e. trailer manufacturer and/or suspension manufacturer). This evidence could be in the form of information from the manufacturer, a label on the suspension or by checking the list of certified suspensions at http://www.infrastructure.gov.au/roads/vehicle_regulation/bulletin/vsb_11.aspx

The certification process ensures that for vehicles manufactured after 1 January 2000, only vehicles fitted with road-friendly suspensions can receive an increase in mass. While air suspensions are more likely to meet the criteria, other possible innovative suspensions may be developed to meet the performance standards.

2. Mass Management

Operators seeking the higher mass limits for triaxle vehicles in their fleet will need to be accredited as a participant in the National Heavy Vehicle Scheme (NHVAS) –

Mass Management Scheme. Most governments are expected to implement this scheme by mid 2000 although some States may rely on other jurisdictions to accredit operators on their behalf.

This involves arranging for an entry audit of systems used by the operator to ensure all of the nominated vehicles do not exceed the relevant mass limits. The auditor must be certified by the Quality Society of Australasia (QSA) and have completed the NHVAS one-day auditor training course. For details of auditor training, contact the QSA on (02) 9901 9944 or the road agency in your State or Territory.

Upon receiving a successful audit report, the operator or his/her agent must present the relevant application form signed by the auditor, together with proof of identification regarding the operator's personal details to a relevant jurisdiction offering into a Mass Management Scheme. Mass Management is only required to gain the mass increase for triaxles.

3. Route compliance and overloading

Operators of higher mass limits vehicles must ensure that their vehicles operate only on approved routes and comply with relevant mass limits. Operators and drivers that breach these requirements could be prosecuted for exceeding mass limits and other offences and could be excluded from operating at higher mass limits. South Australia has also implemented a specific route compliance requirement for all higher mass vehicles travelling in South Australia.

4. Vehicle identification and registration

Vehicle operators and drivers must be able to provide evidence to enforcement officers that the vehicle is eligible to operate at the higher mass limits. This evidence comprises:

- confirmation that the suspension system is certified road-friendly (i.e., a label affixed by the manufacturer/supplier to each road-friendly axle group) or is an air suspension on a vehicle manufactured before 1 January 2000;
- the correct code on the vehicle registration label, where provided by the relevant jurisdiction;
- for triaxle vehicles, an officially numbered 'Accredited Operator' label affixed to the right-hand side of the driver's cabin, indicating membership of the Mass Management Scheme of NVHAS.

5. Excluded vehicles

In general, higher mass limits for road-friendly suspensions do not apply to steer axle groups, truck-trailers, single drive axle trucks and single axle trailers, and

axles on trailers and trucks with wide single tyres. The NRTC is investigating national mass limits for truck-trailers under a separate project. Other possible mass limit increases (eg for twin steer axles, single non-steer axles and wide single tyres) may be investigated over the next 12 months.

6. Implementation Status

All States and Territories except NSW and ACT have implemented the new limits on selected routes. The Commonwealth has also granted the increases to vehicles in the Federal Interstate Registration Scheme on nominated routes, including routes in NSW.

While road-friendly suspensions reduce the impact loading of trucks and buses, the higher mass limits produce higher loads on some bridges. Consequently, a number of bridges need to be strengthened and others replaced to cater for the heavier loads. Therefore, extension of the available road network beyond the current routes is subject to bridges being upgraded for the higher mass limits, with initial focus on important freight routes.

7. National Implementation Package

In March 2000, the Australian Transport Council approved by majority a national package to provide greater consistency in the way the reform is implemented. The package includes:

- model provisions to enable incorporation of the requirements in legislation;
- the terms and conditions applying to ; and
- the enforcement approach to be taken for breaches of the higher mass limits.
- Queensland and New South Wales did not vote for the national package. However, Queensland has already implemented the reform consistent generally with the national conditions.

Appendix 4 – Grape Transport Operating Costs

The estimated cost of transport / rate per tonne is calculated using commercial guidelines which determine proper Return on Investment (ROI) outcomes and fully account for overheads sufficient to operate a professional transport organisation.

Lower rates may be available from time to time depending on market forces that may apply.

Example:		Kenley to Buronga								
per annum tonnes		20000								
Vehicle Configuration		Payload Tonnes	Cost per tonne	Cost per annum	Savings p.a. off Base case	Savings p.a. per tonne	\$ % reduction	Truck Loads per annum	% reduction	
1	Semi	Base Case	23.00	\$25.61	\$512,285		0.0%	870	0.0%	
	Gross	42.50	24.00	\$24.55	\$490,940	-\$21,345	-\$1.07	-4.2%	833	-4.2%
	Tare - (including Bins)	19.50	25.00	\$23.57	\$471,302	-\$40,983	-\$2.05	-8.0%	800	-8.0%
	Base Payload - (tonnes)	23.00	26.00	\$22.66	\$453,175	-\$59,110	-\$2.96	-11.5%	769	-11.5%
			27.00	\$21.82	\$436,391	-\$75,894	-\$3.79	-14.8%	741	-14.8%
			28.00	\$21.04	\$420,806	-\$91,480	-\$4.57	-17.9%	714	-17.9%
2	B Double		34.00	\$21.65	\$433,091	-\$79,194	-\$3.96	-15.5%	588	-32.4%
	Gross	62.50	35.00	\$21.04	\$420,717	-\$91,568	-\$4.56	-17.9%	571	-34.3%
	Tare - (including Bins)	28.50	36.00	\$20.45	\$409,030	-\$103,255	-\$5.16	-20.2%	556	-36.1%
	Base Payload - (tonnes)	34.00	38.00	\$19.38	\$387,502	-\$124,783	-\$6.24	-24.4%	526	-39.5%
			39.00	\$18.88	\$377,566	-\$134,719	-\$6.74	-26.3%	513	-41.0%
			40.00	\$18.41	\$368,127	-\$144,158	-\$7.21	-28.1%	500	-42.5%
3	Road Train		46.00	\$18.57	\$371,324	-\$140,961	-\$7.05	-27.5%	435	-50.0%
	Gross	82.50	48.00	\$17.79	\$355,852	-\$156,433	-\$7.82	-30.5%	417	-52.1%
	Tare - (including Bins)	36.50	49.00	\$17.43	\$348,590	-\$163,695	-\$8.16	-32.0%	408	-53.1%
	Base Payload - (tonnes)	46.00	50.00	\$17.08	\$341,618	-\$170,667	-\$8.53	-33.3%	400	-54.0%
			51.00	\$16.75	\$334,920	-\$177,365	-\$8.87	-34.6%	392	-54.9%
			52.00	\$16.42	\$328,479	-\$183,808	-\$9.19	-35.9%	385	-55.8%
4	B Triple - (stability)		43.50	\$20.99	\$419,771	-\$92,515	-\$4.63	-18.1%	460	-47.1%
	Gross	82.50	45.00	\$20.29	\$405,778	-\$106,507	-\$5.33	-20.8%	444	-48.9%
	Tare - (including Bins)	39.00	47.00	\$19.43	\$388,511	-\$123,774	-\$6.19	-24.2%	426	-51.1%
	Base Payload - (tonnes)	43.50	48.00	\$19.02	\$380,417	-\$131,868	-\$6.59	-25.7%	417	-52.1%
			49.00	\$18.63	\$372,654	-\$139,632	-\$6.96	-27.3%	408	-53.1%
			50.00	\$18.26	\$365,201	-\$147,085	-\$7.35	-28.7%	400	-54.0%

Appendix 5 – Security Sensitive Ammonium Nitrate (SSAN) Licenses

Scope and costs of SSAN licences in various Jurisdictions

<i>Type of Licence</i>	<i>NSW</i>	<i>SA</i>	<i>TAS</i>	<i>VIC</i>	<i>QLD</i>
Application for a licence to Access High Consequence Dangerous Goods (Store, Use, Sell, Transport, Import, Export, Manufacture)				\$80	
Identification Form - Natural Person				\$0	
Application to conduct National Police Check and ASIO Security Assessment				\$59	
Notification of Dangerous Goods Storage and Handling				\$0	
Identification Form - Non Individual				\$0	
Explosives Licence (Licence to Make Explosives with MMU) individual for 5 years				\$250	
Bulk Vehicle Licence (individual) 3 years				\$30	
Licence to Manufacture (covers all trucks) 1 year	\$2,500				
Transport Explosives (covers all trucks) 1 year	\$2,000				
Import Explosives	\$2,000				
Supply Explosives	\$750				
ASIO Check	\$150				
Licence to Store - Company (5 years)	\$250				
Notification of Dangerous Goods on Premises (1 yr)	\$100				
Manufacture Explosives (5 years)	\$2,350				
Licence to Store Explosives (5 years)					\$1,438
Licence to Manufacture (5 years)					\$1,478
Licence to Import (5 years)					\$1,167
Licence to Sell (5 years)					\$289
Licence to Export (5 years)					\$1,167
Licence to Manufacture (MMU) 1 year					\$136
Licence to Use (5 years)					\$205
ASIO Check - Authorised Person Security Clearance		\$63			\$78
Bulk Vehicle Dangerous Goods (1 year)		\$98			
Mix and Use Ammonium Nitrate (1 year)		\$105			
Permit to Purchase, Sell, Supply, Manufacture, Use, Dispose, Import, Export, Store, Carry (3 years)		\$45			
Security Sensitive Dangerous Substances Permit			\$157		
Licence to Keep Dangerous Goods			varies		
Bulk Vehicle Licence for the Transporting of Dangerous Goods (3 years)			\$88		
Security Check			\$66		
Manufacturers Licence			\$181		

Source: The Australian Explosives Industry and Safety Groups²⁹ submission the Productivity Commission review of Chemicals and Plastics Regulations³⁰ in October 2007

Appendix 6 – References

A	For a full explanation of PBS and its principles see http://www.ntc.gov.au/viewpage.aspx?page=A023114004005800200
B	Increasing from 42.5 tonnes GVM to 45 tonnes with a typical tare of 15 tonnes
C	Increasing from 62.5 tonnes GVM to 68 tonnes on a typical tare of 22 tonnes
D	Refer to http://www.rta.nsw.gov.au/heavyvehicles/iap/countdown.html
E	Confirmed in communications with two or Australia's leading trailer manufacturers
F	There are 20,000 new trailers entering the fleet each year with 60% of these being tri axles. Each one cost between \$1000 to \$1500 more than a conventional sprung suspension. The total investment since the introduction of HML in 2000 is therefore between \$100 and \$150 million.
G	Industry advice from a national truck manufacturer
H	Industry sources advise that at least 20,000 prime movers have been supplied since 2000 with HML compliance suspensions. At an average price difference of \$5000 this represents a \$100 million investment.
IL	Discussions with the Australian Trucking Association and other sources indicate that this is a robust figure. It is based mainly on experience and is complex in that around 1/3 rd of the freight task is mass constrained.
J	http://www.vicroads.vic.gov.au/Home/HeavyVehicles/InformationBulletins/CommercialVehicleInfoBulletins.htm#Bdoubles
K	http://www.rta.nsw.gov.au/heavyvehicles/downloads/permitnotices/permit_notices_dl1.html?hvliid=13
L	http://www.transport.sa.gov.au/freight/road/vehicle_configuration/b_double.asp
M	NSW gazettes are at: http://www.rta.nsw.gov.au/heavyvehicles/downloads/permitnotices/roadtrainnotice_general_05.pdf
	South Australian gazettes are at: http://www.transport.sa.gov.au/freight/road/vehicle_configuration/road_train.asp
N	http://www.craftpress.com.au/gazette/Gazettes2007/GG2007S361.pdf
O	Links to the schemes for the three States are:
P	NSW: http://www.rta.nsw.gov.au/heavyvehicles/downloads/permitnotices/ttn2005.pdf
Q	SA: http://www.transport.sa.gov.au/pdfs/freight/increased_gross_mass_truck_trailer.pdf
	Vic: http://www.vicroads.vic.gov.au/Home/HeavyVehicles/InformationBulletins/RigidTrucksAndTrailers.htm
R	The model legislation can be viewed at: http://www.ntc.gov.au/ViewPage.aspx?page=A02214506300950020
S	Permit conditions can be found at:
	Victoria http://www.vicroads.vic.gov.au/Home/HeavyVehicles/RoutePermitInformation/OversizeOvermassVehicles.htm
	NSW http://www.rta.nsw.gov.au/heavyvehicles/downloads/permitnotices/general_class_1_load-carrying_vehicle_notice_2007_with_amend.pdf
	SA http://www.transport.sa.gov.au/freight/road/vehicle_configuration/oversize_mass.asp

T	NTC review is at: http://www.ntc.gov.au/filemedia/Reports/ReviewofHVMassLoadOSAMRAVMay06.pdf
U	Details of Safe-T-Cam arrangements in NSW and SA are at the following sites: NSW: http://www.rta.nsw.gov.au/heavyvehicles/safety/speeding/safetcam/index.html SA: http://www.transport.sa.gov.au/freight/safetcam/index.asp
V	Load restraint information for NSW and Victoria can be found at: NSW: http://www.rta.nsw.gov.au/heavyvehicles/loads/loadrestraintguide.htm Vic: http://www.vicroads.vic.gov.au/Home/HeavyVehicles/InformationBulletins/CommercialVehicleInfoBulletins.htm
W	http://www.transport.sa.gov.au/freight/road/vehicle_configuration/heavy_vehicle_access_framework/index.asp
X	SA: http://www.pir.sa.gov.au/planthealth/legislation/draft_plant_health_bill/transporters NSW: http://www.agric.nsw.gov.au/reader/interstate-trade Victoria: http://www.dpi.vic.gov.au/dpi/nrenfa.nsf/LinkView/70C59C5CEB4D189BCA256CE1000FD484325100F65F499475CA256EE00007E45F
Y	http://www.ica.gov.au/about.htm
Z	For Victoria there is a comprehensive plant and animal quarantine summary at: http://www.dpi.vic.gov.au/DPI/nrenfa.nsf/LinkView/1256D4B0CF8090DBCA256C3E0081B397B38A0FB1AF7807BDCA256C410021E4ED
AA	Members of which include Orica Australia Pty Ltd, Dyno Nobel Asia Pacific Ltd, Maxam Australia Pty Ltd, Downer EDI Mining -Blasting Services Pty Ltd, Applied Explosives Technology Pty Ltd, Quin Investments Pty Ltd and Thales Limited
BB	http://209.85.173.104/search?q=cache:QjEqsymOoxMJ:www.pc.gov.au/_data/assets/file/0020/71363/sub045.rtf+High+COonsequence+Dangerous+goods+Compliance+costs&hl=en&ct=clnk&cd=7&client=safari
CC	Linking a Nation: Australia's Transport and Communications 1788 – 1970 at http://www.ahc.gov.au/publications/linking-nation/chapter-10.html
DD	http://www.logisticsgroup.com.au
EE	Members of which include Orica Australia Pty Ltd, Dyno Nobel Asia Pacific Ltd, Maxam Australia Pty Ltd, Downer EDI Mining -Blasting Services Pty Ltd, Applied Explosives Technology Pty Ltd, Quin Investments Pty Ltd and Thales Limited
FF	http://209.85.173.104/search?q=cache:QjEqsymOoxMJ:www.pc.gov.au/_data/assets/file/0020/71363/sub045.rtf+High+COonsequence+Dangerous+goods+Compliance+costs&hl=en&ct=clnk&cd=7&client=safari
GG	DOTARS Working Paper 58 – Investment trends in the Lower Murray – Darling Basin.
HH	www.wrmc.gov.au

Appendix 7 – Sunraysia Region Industry Costs

Summarised Mildura Transport Company Costs for Six Large Operators	
Location	Sunraysia
Example	No HML in or through NSW without being registered with the IAP. All other states recognise HML and do not require IAP registration.
Burden	Cannot fully utilise vehicle spaces/capacity for carrots/onions ex Melb or grapes ex Sunraysia, unless registered with the IAP.
Cost per incident	Loss of 4 tonne per load \$500 per load ex Melb to Syd \$750 per load ex Melb to Bris \$250 per load ex Sunraysia to Syd \$400 per load ex Sunraysia to Bris
Number of occurrences per year	500 occurrences ex Melbourne to Syd 360 occurrences ex Sunraysia to Syd 300 occurrences ex Melbourne to Bris 300 occurrences ex Sunraysia to Bris Plus return trips
Alternate costs	Registration with the IAP to allow HML in and through NSW @ app \$3000 per truck p/a. Installation of GPS tracking system if required @ \$1550 per truck, for first year then rental of access to system @ \$45 per truck per month = \$540 p/a. Total fleet size = 45.
Current situation	Prior to 1 July, HML loads were allowed to travel the Newell to Brisbane, but were not allowed east of Goulburn. HML loads are approved through all states on specified roads except NSW. If a company wishes to now travel through NSW to Brisbane, due to the new IAP regulation that has been brought in, the vehicle must either travel at concessional mass weights, losing up to 5 tonne per load, or register at a fee with the IAP. It could be argued that by registering with the IAP, companies will once again be able to run at HML weights. This will be a cost of \$5000 per vehicle for the first year and \$3500 per year afterwards. It could be argued that this is a benefit to operators allowing higher returns for their loads, however, this is assumed that every load that passes through NSW is loaded to HML weights. If an IAP registered vehicle, for whatever reason, runs at stat weights or under, that vehicle is still monitored by the IAP, with an expected “please explain notice” being issued should the vehicle deviate from the designated route, as well as not utilising the benefits of the IAP that have been paid for. It has also been suggested that an additional staff member would be required to manage this area.
Total cost	Total costs are hard to calculate, given the decisions that companies now have to face, all due to NSW wanting to run the own game instead of coming in line with the other states. From the outset, it appears that the IAP is nothing more than revenue raising big brother.
What would you do to change/ease?	Streamline state mass regulations and abolish the IAP.

Location	Sunraysia
Example	Trucks running from Sydney through to Adelaide have a driver change in Mildura. This change does not register on the Safe-T-Cam system and a “notice to produce” letter is issued.
Burden	Lost time in providing proof of innocence via driver change.
Cost per incident	1 hour @ \$25
Number of occurrences per year	60
Total cost	\$1500
What would you do to change/ease?	Implement online pre notification system.

Location	Sunraysia
Example	No contact number for RTA after hours. Numbers for Sa Transport, Qld Transport and Vic Roads are available.
Burden	Defect note issued to a vehicle at checking station at Marulan for four defective tail lights. Vehicle fixed and cleared within two days by staff at the same checking station at Marulan. 2 months later truck got ground by RTA with full load of market causing load to miss delivery time slot. Unable to resolve issue until next morning.
Cost per incident	\$3500 to operator (unknown cost to receiver of expected produce due to late delivery)
Number of occurrences per year	1
Total cost	\$3500 (plus chance of losing contract worth \$400,000 per annum)
What would you do to change/ease?	Have 24 hour contact number available.

Location	Sunraysia
Example	Lack of readily accessible information for quarantine requirements of produce crossing state borders.
Burden	Vehicle arrived at SA border from Qld. 1 pallet at front of van required certificate which was not provided by consignor. Load was required to be unloaded to remove non compliant pallet then re loaded with rest of produce.
Cost per incident	Minimum 6 hours downtime @ \$150 per hour, plus late delivery to destination.
Number of occurrences per year	12 – 15
Total cost	Up to \$20,000 plus hidden costs of associate with late delivery time to market.
What would you do to change/ease?	Make information readily accessible.

Location	Sunraysia
Example	No HML to Sydney from Sunraysia
Burden	Cannot fully utilise vehicle spaces/capacity for loads to Sydney
Cost per incident	\$400 per load ex Sunraysia
Number of occurrences per year	750 occurrences ex Sunraysia
Total cost	\$300,000 in lost revenue per annum
What would you do to change/ease?	Streamline NSW mass regulations to meet rest of country.

Location	Buronga - NSW
Example	Sunraysia not being recognised as a region which encompasses both side of river in Vic and NSW, known as the Murray Darling Region
Burden	Plant Health Cert required for transport grapes from Vic side of Murray Darling Region to NSW side.
Cost per incident	\$35 per certificate plus time for preparation @ \$40 per hour
Number of occurrences per year	Approx 200 incidences
Total cost	\$15,000
What would you do to change/ease?	Both sides of river are declared a Phylloxera free zone (PFZ). The region should be recognised as a PFZ, and not discriminated against due to which side of the river it is on.