



28 May 2010

Mr Nick Dimopoulos
Chief Executive
National Transport Commission
L15/628 Bourke Street
MELBOURNE VIC 3000
E-mail: ntc@ntc.gov.au

RESPONSE TO THE DRAFT REGULATORY IMPACT STATEMENT AND ASSOCIATED DOCUMENTATION ON PERFORMANCE BASED STANDARDS

Dear Nick

The Australian Logistics Council (**ALC**) welcomes the opportunity to comment on this regulatory impact statement on performance based standards (**the RIS**).

By way of background, ALC is the peak national body for Australia's freight T&L industry. ALC aims to influence government policy decisions to ensure that Australia has a safe, secure, reliable, sustainable and competitive freight T&L industry.

ALC members have interests across the full spectrum of the Australian freight T&L supply chain, including owners, providers and users of infrastructure, as well as suppliers of goods and services. Please find attached a list of ALC Members.

ALC has a policy objective of supporting appropriate nationally consistent regulatory frameworks and transparent markets to ensure Australia enjoys the full benefits of national freight T&L policy development and reform.

ALC agrees that performance-based requirements specifying outcomes, rather than inputs or other prescriptive requirements, should be used in legislation of this nature, as suggested in the Council of Australian Governments' *Guide for Ministerial Councils and National Standard Setting Bodies*.¹

ALC has also previously catalogued the costs involved in inconsistent regulatory standards relating to the operation of heavy vehicles in ALC publications such as *The Cost Impact of Regulation Disparity in Cross Border Regions* (the Sunaysia/Riverland case study).

ALC therefore agrees with the NTC proposal to adopt Option 3, as proposed by the RIS, to move to a national assessment and access framework utilising the national vehicle law and national heavy vehicle regulator so as to allow Performance Based Standards compliant vehicles (SMART) vehicles (which must necessarily satisfy performance based standards (**PBS**) as opposed to command/control regulations) access to the road network, contained within a National Heavy Vehicle Law administered by a national regulator.

PBS has as its key feature a focus on how well the vehicle behaves on the road rather than prescriptive dimensions and mass limits.

¹ See page 7

This allows industry to innovate to increase productivity of vehicles while meeting sustainability and safety goals.

Given that the national freight task is estimated to double in size over the next 20 years, ALC believes this regulatory paradigm, which:

- sets a single regulatory standard; yet
- allows industry to develop innovative and cost effective methods of compliance to meet a clearly set standard without compromising public safety,

offers a win/win for both the community and logistics chain participants while allowing Australian freight capacity to continue to expand.

The only other observation ALC wishes to make is to confirm the importance of ensuring that local governments are adequately resourced so as to ensure routes capable of taking SMART vehicles are identified and mapped.

The use of SMART vehicles will go some way towards reducing congestion particularly at destination points. The benefits of the proposal will be significantly diminished if relevant routes (particularly in 'the last mile') cannot be identified.

It is also important that some of the problems identified by ALC members when the B-double network was introduced are avoided. The B-double network was first introduced as a nominated highway network with a 600m rule for local access.

However, a number of level crossings adjacent to highways did not have enough room to fit the B-Double on the side road between the railway level crossing and the adjacent road highway intersection (all designed for the traditional historical truck design allowance) so that the B-double either hangs across the railway as it waits to enter the highway in busy locations or it hangs out on the highway as it waits for a train to pass as it enters the local road, leading to some serious accidents.

ALC wishes the Commission well in participating in the final development, and implementation, of the scheme.

Please do not hesitate to contact me via email michael.kilgariff@austlogistics.com.au or on 0418 627 995 should you wish to discuss this matter.

Yours sincerely



MICHAEL KILGARIFF
Chief Executive Officer