



8 November 2019

Jose Arredondo
Heavy Vehicle Policy
Freight and Supply Chain Productivity
National Heavy Vehicle Regulator

Via email: info@nhvr.gov.au

Dear Mr Arredondo

REVIEW OF GRAIN HARVEST MANAGEMENT SCHEMES

Thank you for the opportunity to provide a submission in the response to the issues paper released by NHVR seeking feedback on existing Grain Harvest Management Schemes (GHMS) and the possibility of a national Harvest Mass Management Scheme (HMMS).

On Friday, 25 October 2019, ALRTA National Council considered the NHVR issues paper. I thank you for attending our meeting to participate in the discussions and for allowing ALRTA a short extension to provide a written submission.

ALRTA makes the following recommendations:

- **Recommendation 1:** The NHVR harmonise Grain Harvest Schemes to the extent that this is possible without reducing current mass tolerances in each participating HVNL jurisdiction.
- **Recommendation 2:** That NHVR consider the following purposes of a national HMMS:
 - Assist loading in challenging circumstances;
 - To eliminate gross overloading and protect road infrastructure; and
 - To provide productivity and safety benefits by reducing the required number of journeys.
- **Recommendation 3:** That mass tolerances included in a national HMMS apply to all heavy vehicles over 4.5t on the basis of GVM and axle weights otherwise permitted.
- **Recommendation 4:** That a national HMMS applies to both primary producers and commercial carriers.
- **Recommendation 5:** That a national HMMS takes a generally approach to defining eligible commodities, ideally including all harvestable commodities.
- **Recommendation 6:** That a national HMMS is available for use all year round.
- **Recommendation 7:** The establish a national HMMS with a uniform mass tolerance of +7.5% GVM/GCM & 10% on axle weights (up to manufacturers rating).
- **Recommendation 8:** If a 'highest common denominator' uniform mass tolerance is not achievable, that NHVR establish a national HMMS that separately specifies the mass tolerances applicable in each participating jurisdiction and harmonises tolerances within this framework where they can be lifted to achieve a common status.
- **Recommendation 9:** That NHVR work with state and local jurisdictional authorities to develop a framework for local access conditions to promote consistency.

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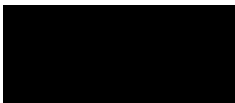
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- **Recommendation 10:** That grains should be free to move anywhere within the geographical coverage of the national HMMS provided that the carrier is compliant with general notice provisions and any applicable local access conditions.
- **Recommendation 11:** That a national HMMS allow for at least five instances annually of non-compliance before requiring a participant to 'show cause' for continued participation.
- **Recommendation 12:** That there should not be an onus on a carrier to correct a load prior to delivery. Overloading should be discouraged by ensuring that there is sufficient rigour in overloading detection, reporting and enforcement.
- **Recommendation 13:** That a national HMMS include avenues for individual carriers who have been prohibited from participation to re-enter the scheme after a minimum prohibition period, possibly including risk-based targeted audits for a period.
- **Recommendation 14:** That the NHVR administer a national HMMS in HVNL jurisdictions.
- **Recommendation 15:** That operating under a national HMMS simply require the carrier or receiver to comply with the conditions of the scheme.

This position is explained in more detail in the attached submission. If you wish to arrange a meeting to discuss the attached submission, please contact the [REDACTED]

Yours sincerely



Stephen Marley
National President



SUBMISSION TO

NHVR REVIEW OF GRAIN HARVEST MANAGEMENT SCHEMES

8 NOVEMBER 2019

1.0 Introduction

The Australian Livestock and Rural Transporter's Association (ALRTA) is pleased to offer this submission to the NHVR Review of Grain Harvest Management Schemes.

The ALRTA is the peak body representing road transport businesses servicing the agricultural supply chain. We are a federation of six state associations including:

- Livestock, Bulk and Rural Carriers Association of New South Wales
- Livestock and Rural Transporters Association of Victoria
- Livestock and Rural Transporters Association of South Australia
- Livestock and Rural Transporters Association of Western Australia
- Livestock and Rural Transporters Association of Queensland
- Livestock Transporters Association of Tasmania

Together our associations represent around 700 transport businesses including owner-drivers, small fleet operators and large fleet operators with hundreds of trucks and trailers.

2.0 Summary of Recommendations

The ALRTA makes the following recommendations:

- **Recommendation 1:** The NHVR harmonise Grain Harvest Schemes to the extent that this is possible without reducing current mass tolerances in each participating HVNL jurisdiction.
- **Recommendation 2:** That NHVR consider the following purposes of a national HMMS:
 - Assist loading in challenging circumstances;
 - To eliminate gross overloading and protect road infrastructure; and
 - To provide productivity and safety benefits by reducing the required number of journeys.
- **Recommendation 3:** That mass tolerances included in a national HMMS apply to all heavy vehicles over 4.5t on the basis of GVM and axle weights otherwise permitted.
- **Recommendation 4:** That a national HMMS applies to both primary producers and commercial carriers.
- **Recommendation 5:** That a national HMMS takes a generally approach to defining eligible commodities, ideally including all harvestable commodities.
- **Recommendation 6:** That a national HMMS is available for use all year round.
- **Recommendation 7:** The establish a national HMMS with a uniform mass tolerance of +7.5% GVM/GCM & 10% on axle weights (up to manufacturers rating).
- **Recommendation 8:** If a 'highest common denominator' uniform mass tolerance is not achievable, that NHVR establish a national HMMS that separately specifies the mass tolerances applicable in each participating jurisdiction and harmonises tolerances within this framework where they can be lifted to achieve a common status.
- **Recommendation 9:** That NHVR work with state and local jurisdictional authorities to develop a framework for local access conditions to promote consistency.
- **Recommendation 10:** That grains should be free to move anywhere within the geographical coverage of the national HMMS provided that the carrier is compliant with general notice provisions and any applicable local access conditions.
- **Recommendation 11:** That a national HMMS allow for at least five instances annually of non-compliance before requiring a participant to 'show cause' for continued participation.

- **Recommendation 12:** That there should not be an onus on a carrier to correct a load prior to delivery. Overloading should be discouraged by ensuring that there is sufficient rigour in overloading detection, reporting and enforcement.
- **Recommendation 13:** That a national HMMS include avenues for individual carriers who have been prohibited from participation to re-enter the scheme after a minimum prohibition period, possibly including risk-based targeted audits for a period.
- **Recommendation 14:** That the NHVR administer a national HMMS in HVNL jurisdictions.
- **Recommendation 15:** That operating under a national HMMS simply require the carrier or receiver to comply with the conditions of the scheme.

3.0 Proposed Harmonisation of Harvest Schemes

ALRTA supports the concept of harmonising harvest schemes in all states in which the HVNL applies. This may reduce regulatory complexity and make participation in harvest schemes more attractive for individual local governments that may have more confidence in an agreed national approach.

However, harmonisation should not be sought on a ‘lowest common denominator’ approach that might reduce the current GVM and axle mass tolerances that apply under Grain Harvest Mass Schemes (GHMS) in each participating jurisdiction. This issue is further addressed in section 9.0.

Recommendation 1: The NHVR harmonise GHMS to the extent that this is possible without reducing current mass tolerances in each participating HVNL jurisdiction.

4.0 Purpose of Harvest Schemes

It is important that NHVR has a clear objective in establishing a national Harvest Mass Management Scheme (HMMS). ALRTA considers that harvest schemes have multiple purposes:

1. Assist loading in challenging circumstances;
2. To eliminate gross overloading and protect road infrastructure; and
3. To provide productivity and safety benefits by reducing the required number of journeys.

In our view, all of these considerations must be factored into policy development.

Recommendation 2: That NHVR consider the following purposes of a national HMMS:

- Assist loading in challenging circumstances;
- To eliminate gross overloading and protect road infrastructure; and
- To provide productivity and safety benefits by reducing the required number of journeys.

5.0 Eligible Vehicles

Currently, various state schemes take differing approaches to defining the scope of heavy vehicles eligible to participate in a GHMS. In some cases, these restrictions have absolutely no connection to safety and productivity (for example, the Victorian GHMS limits coverage to vehicles registered after 1 January 2002 and compliant with ADR 80/00 2005 (Emissions control for heavy vehicles)).

The operational reality is that there are many types of heavy vehicles that participate in grain harvest or grain delivery at other times of the year. There appears to be no logical reason to arbitrarily limit application of GHMSs to a particular subset of heavy vehicles over 4.5t.

Given that GHMSs essentially establish a loading ‘tolerance’ rather than an absolute mass concession, ALRTA considers that the simplest and most appropriate regulatory approach would be open the scheme to all heavy vehicles over 4.5t, with the tolerance applied to the GVM and axle weights otherwise permitted.

A tolerance would be particularly useful for improving productivity for vehicles operating under HML. Under the HVNL, HML vehicles that exceed mass limits are treated as GML vehicles for the purposes of applying penalties. As such, small mass breaches can attract very large penalties.

HML vehicles carrying grain therefore aim to significantly ‘underload’ to reduce the risk of mass breaches that can occur because of natural variability in grain weight and the difficulty of accurately measuring mass in paddocks or on uneven ground.

Using South Australia as an example, underloading HML vehicles by just 2% results in around 6,000 heavy vehicle movements annually. These movements could be eliminated by applying a GHMS tolerance.

Recommendation 3: That mass tolerances included in a national HMMS apply to all heavy vehicles over 4.5t on the basis of GVM and axle weights otherwise permitted.

6.0 Eligible Persons

Grain harvest volumes can be highly variable across seasons and geographic locations. It is generally necessary for grain movements to be undertaken by both primary producers and commercial carriers in order to meet peak demand.

Recommendation 4: That a national HMMS applies to both primary producers and commercial carriers.

7.0 Eligible Freight

ALRTA notes that various states take differing approaches to defining eligible grain commodities. For example, Queensland generally allows all grains, oilseeds and pulses whereas New South Wales and Victoria specific individual crop types within these categories.

Australia is a dynamic crop producer and international market opportunities can change over time. Listing specific crop types establishes an 'exclusive' eligibility list that prevents novel types of grains, oilseeds and pulses from automatically being eligible for GHMS. For this reason, ALRTA favours the Queensland more general approach to defining eligible commodities.

However, the underlying purpose of the GHMS is to provide a mass tolerance in challenging circumstances. Arguably, the difficulty in determining load mass is common to all harvestable commodities for which local yields, quality, water content, mass:volume ratio etc is variable.

As is the case for grain, there is enormous scope of very significant productivity and safety gains if a national HMMS was extended to include all harvestable commodities.

Recommendation 5: That a national HMMS takes a generally approach to defining eligible commodities, ideally including all harvestable commodities.

8.0 Period of Operation

The Australian grain market has changed considerably over recent decades, which has impacted grain movements. Significant changes include:

- Deregulation of grain markets;
- Dramatic increase in domestic grain consumption (primarily for intensive livestock production); and
- Dramatic increase in farm and supply chain storage capacity.

Traditionally, the Australian grain market was export focussed with most movements occurring during the harvest period. Today, grain movements occur all year round throughout both the domestic and export supply chain.

For this reason, it is essential that a national HMMS is available for use all year round.

Recommendation 6: That a national HMMS is available for use all year round.

9.0 Mass Tolerances

ALRTA notes that current GVM and axle mass tolerances are highly variable across existing GHMS.

While ALRTA is generally supportive of a harmonised national HMMS, harmonisation should not be sought on a 'lowest common denominator' approach that might reduce current tolerances in each participating jurisdiction.

In principle, the goal of harmonisation should be to raise all jurisdictions to a 'highest common denominator' unless there is clear evidence that doing so would significantly compromise road safety or road infrastructure. ALRTA is not aware of any evidence that current GHMS are creating measurable risk differences across jurisdictions. ALRTA is therefore supportive of a 'highest common denominator' approach to GVM and axle tolerances.

However, ALRTA is also mindful that any national HMMS would need to be approved by all state and local jurisdictions. In these circumstances, it may not be possible for NHVR to achieve an ideal 'highest common denominator' outcome.

An alternative approach would be for NHVR to establish a national HMMS that separately specifies the mass tolerances applicable in each participating jurisdiction. It would still be of benefit for NHVR to improve harmonisation of mass tolerances across some jurisdictions if this is possible.

For example, the mass tolerances might be expressed as:

- **QLD:** +7.5% GVM/GCM & 10% on axle weights (up to manufacturers rating);
- **All other jurisdictions:** +5% GVM/GCM & 0.5t on axle weights (up to manufacturers rating).

Recommendation 7: The establish a national HMMS with a uniform mass tolerance of +7.5% GVM/GCM & 10% on axle weights (up to manufacturers rating).

Recommendation 8: If a 'highest common denominator' uniform mass tolerance is not achievable, that NHVR establish a national HMMS that separately specifies the mass tolerances applicable in each participating jurisdiction and harmonises tolerances within this framework where they can be lifted to achieve a common status.

10.0 Access

ALRTA notes that current access arrangements are variable across jurisdictions at the state and local levels. While ALRTA would prefer harmonisation of access conditions, this appears highly unlikely given the necessity of each state and local authority approving application of the scheme.

In these circumstances, ALRTA accepts the right of individual participating jurisdictions to apply their own individual access conditions. Generally, carriers would prefer restrictions on speed or restrictions on operating on unsealed roads in wet weather if necessary for access to be granted.

ALRTA would however be supportive of efforts by NHVR to encourage consistency by developing a framework for such conditions, including when they might apply and how each might be articulated.

Recommendation 9: That NHVR work with state and local jurisdictional authorities to develop a framework for local access conditions to promote consistency.

11.0 Delivery

The restrictions relating to delivery locations contained in current GHMS are outdated and do not reflect current market conditions. In the past, when grain markets were regulated, delivery locations were less important because the price offered and ultimate destination of the grain was far less variable.

In a competitive de-regulated market, there are many more delivery options open to producers and prices offered can be highly variable. Given that delivery options are not restricted under livestock loading schemes, there appears to be no logical reason that such restrictions should apply under a national HMMS. Removal of such restrictions could immediately improve farm gate prices and remove a barrier to the efficient operation of domestic and international grain supply chains.

Provided that the carrier is compliant with general notice provisions and any applicable local access conditions, grains should be free to move anywhere within the geographical coverage of the national HMMS.

Recommendation 10: That grains should be free to move anywhere within the geographical coverage of the national HMMS provided that the carrier is compliant with general notice provisions and any applicable local access conditions.

12.0 Compliance

ALRTA considers that the current GHMS compliance arrangements are too restrictive for a tolerance-based scheme. During grain harvest, an individual carrier may make several deliveries each day and move between different paddocks, farms and commodity types. For each and every delivery, and particularly when circumstances are changing, there is a risk of a mass breach that will require adjustments in subsequent loads.

ALRTA is supportive of scheme participants being required to keep records and of the limited use of audits to monitor compliance. However, given the frequency of deliveries and constantly changing circumstances faced by carriers during the grain harvest period, it is necessary to allow greater flexibility for mass breaches to be detected and rectified. A transport operator removed from a GHMS will be unable to compete with other carriers which will have a very significant detrimental impact on their business.

It is also unreasonable, and unsafe, for carriers to be responsible for correcting loads prior to delivery. It is unconscionable for a receiver to knowingly send an overloaded truck back onto the

public road network. Adjusting a load may require the carrier to do so on the roadside, possibly on uneven ground, close to traffic and without an option for disposing of excess grain.

Rather than promoting unsafe activities, the best method of discouraging overloading is to ensure that there is sufficient rigour in overloading detection, reporting and enforcement of a national HMMS.

A national HMMS must also include avenues for individual carriers to re-enter the scheme after a minimum prohibition period. It may be reasonable to such re-entrants to be subject to additional risk-based audits for a reasonable period.

Recommendation 11: That a national HMMS allow for at least five instances annually of non-compliance before requiring a participant to 'show cause' for continued participation.

Recommendation 12: That there should not be an onus on a carrier to correct a load prior to delivery. Overloading should be discouraged by ensuring that there is sufficient rigour in overloading detection, reporting and enforcement.

Recommendation 13: That a national HMMS include avenues for individual carriers who have been prohibited from participation to re-enter the scheme after a minimum prohibition period, possibly including risk-based targeted audits for a period.

13.0 Administration

Obtaining national consistency is a product of both the underpinning regulation and the manner in which the regulation is interpreted and administered. If a national HMMS is established, it would be appropriate for such a scheme to be administered by the NHVR, rather than several different administrators as is currently the case.

In terms of choosing an administrative model, ALRTA favours a low-cost and low-regulation model under which all eligible carriers could operate under a national HMMS notice by simply complying with the terms of the notice (any carrying a copy of the notice [electronic must be an option]). It is wholly unnecessary to require individuals to complete knowledge tests, fill out application forms, pay application fees or display stickers on vehicles (there are already too many regulatory stickers on vehicles and this requirement would inevitably introduce new penalties for damaged or expired stickers).

Recommendation 14: That the NHVR administer a national HMMS in HVNL jurisdictions.

Recommendation 15: That operating under a national HMMS simply require the carrier or receiver to comply with the conditions of the scheme.