



25 October 2019

Mr Jose Arredondo
Heavy Vehicle Policy Manager
National Heavy Vehicle Regulator
Network Access Policy Team

Re: Grain Harvest Management Schemes Review

Dear Mr Arredondo,

The Grains GHMS Working Group (the “working group”), comprising Grains Producers Australia, GrainGrowers, AgForce, NSW Farmers, VFF and GPSA, thanks the National Heavy Vehicle Regulator (NHVR) for the opportunity to provide a submission regarding the *Grains Harvest Management Schemes Review*. This review is a welcome opportunity to increase efficiencies of the scheme, promote a harmonised and streamlined approach across borders and boost economic prosperity of our regional communities.

The working group is supportive of a scheme that acknowledges the difficulties of on-farm loading of grains and practically responds to unintended overloading. We do not support a scheme that promotes intentional overloading loading practices.

The following submission provides the working group’s recommendation for a nationally consistent and harmonised scheme, along with a brief review of the Grains Harvest Management Schemes (GHMS) operating in Queensland, New South Wales, Victoria and South Australia. It should be noted that the working group has consulted with the Grains Transport Safety Network (GTSN) regarding this submission.

GRAIN INDUSTRY WORKING GROUP RECOMMENDATIONS

We recommend that:

1. A nationally consistent and harmonised scheme be introduced across all jurisdictions.
2. The scheme be designed so that no jurisdiction is worse off compared to what currently exists.
3. The scheme be simple to participate in, comply with and state how breaches are managed.
4. The scheme provides a national 10% allowance over general mass limit.
5. The scheme operates year-round to accommodate for the changing production patterns, changing grain movement patterns and increased prevalence of on-farm storage.
6. Eligible commodities under the scheme should be defined as “bulk loose agricultural commodities loaded ex-farm” being that of silage, grains, oilseeds and pulses.

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7. The scheme covers all vehicle type configurations.
8. The scheme should not require delivery to be made to the “nearest receival site”.
9. The scheme ensures overloaded vehicles are not be turned away from receival sites.
10. Excess tonnages over the allowance on overloaded vehicles are forfeited directed towards an industry agreed charity of choice.
11. Should a truck be identified as in breach of the scheme, the grower (whose commodity is being transported) and those who transported it should be notified swiftly of the breach.

REVIEW OF EXISTING STATE-BASED GRAIN HARVEST MANAGEMENT SCHEMES

This submission won't make specific comment relating to each jurisdiction's schemes as this will be made in the members' submissions. We would like to reiterate that from this process no jurisdiction should be worse off. However, general observations will be noted below:

| Jurisdiction | General sentiment towards scheme |
|--------------|--|
| QLD | <p>The Queensland scheme is one that is held generally in positive regard by growers. It is a scheme that sees both industry and the regulator working in partnership to administer the scheme.</p> <p>Concerns primarily sit with issues relating to the requirement to 'deliver to the nearest receiver' which has imposed upon business decisions.</p> |
| NSW | <p>The New South Wales scheme is viewed positively by growers. The scheme doesn't require registrations to participate but need to present a physical copy of the notice in order to operate under the scheme.</p> <p>The restrictions on truck combinations places barriers upon participants and has the stipulation of 'delivering to the nearest receiver'.</p> |
| VIC | <p>The Victorian scheme in its current format is not endorsed as the eligibility requirements for participation are restrictive and undermine the core intention of the scheme to address the challenges of loading in paddock.</p> <p>Concerns centre around the inclusion of the requirement for trucks to be manufactured on or after 1 January 2002. The average fleet age in Victoria is 29 years old, meaning that most trucks are ineligible to participate. Those that are eligible to access the scheme are likely to be able to access a tolerance under existing Higher Mass Limit Schemes. This has resulted in a very low uptake to the scheme.</p> |
| SA | <p>The South Australian grain industry appreciates the system they have being a Code (to expire) and a Notice. There are efforts underway to combine both under a single notice, of which SA growers do not want to see allowances go backwards.</p> <p>Concerns with the current Notice in SA is that many truck combinations are excluded and the NHVAS Mass requirement precludes non-commercial grower trucks.</p> |

GRAIN INDUSTRY WORKING GROUP'S SPECIFIC FEEDBACK TO THE NHVR GHMS ISSUES PAPER

POLICY SETTINGS: HOW SHOULD THE SCHEME WORK AND WHAT KIND OF SUPPORT SHOULD BE PROVIDED?

Q: Is the stated purpose sufficient to ensure the efficient running implementation and effective operation of a national HMMS?

The stated purpose refers to limiting the scheme to those who don't have access to technology aids such as on-board scales. Even when such aids are available, their effectiveness can be impacted by external factors such as uneven paddocks. Therefore, unintended overloading can still occur when technology is available.

More generally, due to the nature of the commodity itself, its weight can be influenced by climatic conditions such as humidity.

Q: Should any other objectives be listed?

No.

Q: Structure: Please indicate your preference for Options 1, 2 or 3; and provide reasons.

The working group supports regulatory harmonisation (Option 2) across jurisdictions that does not lead to adverse outcomes for grain freight and supports increased productivity and safety of the industry. The harmonised scheme should be easy to understand and comply with and state explicitly how breaches will be managed. Any allowances should be supported by data that maintains the intent of the scheme being to respond to unintended overloads.

DELIVERY: WHO SHOULD OPERATE THE SCHEME?

Q: Administration: Is the role of Scheme Administrator role best undertaken by a regulatory body or co-operatives? Please provide reasons for your response.

The working group believes that farm organisations have a role to play in supporting farmers in understanding their roles and responsibilities when it comes to mass and road compliance. Any future schemes should seek to ensure that all parties involved in the management and handling of grain have a responsibility to striving towards better compliance and safety outcomes.

Q: Registration: Please indicate your preference for either Option 1, 2 or 3. Please provide reasons for your response.

The working group is open to looking at the options and discussing further with the NHVR how the scheme should be administered. It should be noted that the working group sees producers using a mixture of their own vehicles and contractors to undertake the activities of transporting goods.

Q: Registration: What should the registration process look like?

The working group is open to discussing this further however, notes that a harmonised scheme should be simple to participate in and comply with.

Q: Compliance and Reporting: To whom and in what format should reporting occur?

It is the belief of the working group that a harmonised national scheme requires a digital solution to ensure effective, true and accurate data capture and reporting. Reporting should be provided to both the administrator and the regulator in duplicate to ensure the activities of compliance are two-pronged. It is important that the reporting does not add additional administrative burden upon the receivers nor influence their commercial rights.

Q: Reporting: How frequent should reporting be?

Information should be accessible to operators, producers and receivers in a timely manner and reporting should reflect the expectations of modern business. It is the opinion of the grains working group that a digital solution could assist with the issues of timely reporting. In busy periods such as harvest, it is noted in the Queensland scheme reporting occurs daily or weekly, whereas outside of harvest when grain receivals are less frequent reports can occur monthly.

It is recommended that weekly reporting at a minimum be upheld across the entire year and more frequently if possible, during peak season. This frequency of reporting would ensure growers have feedback as to what has occurred post-loading of the truck rather than only once the harvest period is complete.

Q: Reporting: How many instances of non-compliance can occur before the operator is removed from the scheme?

The working group believes this is a responsibility of the regulator, jurisdictional road managers and administrator to consider and follow. However, the industry recommends that only those grain movements that breach the agreed allowance (10%) should result in enforcement. If a truck's load is forfeited due to being over the allowance, the grower (who generally owns the grain) should be notified immediately.

Q: Reporting: Will the forfeiture to charity option for overloaded trucks be likely to improve compliance with the scheme? Can you suggest other options for dealing with excess loads?

The working group believes no truck should be refused to unload (and/or be sent back out onto the road network) as this would (a) breach chain of responsibility law; (b) place a risk to public safety; and (c) have negative consequences to the road asset. A harmonised scheme should be simple to comply with and respond to breaches at a receival site. If the forfeiture to charity is an option, all receivers must participate, and the scheme should be simple and cost effective to administer.

There have been schemes in the past where overloaded volumes of grain above the allowance could be collected by the grower within a specified period. It is the belief of the working group that this practice is too complex to administer and not therefore recommended. It is recommended that if you overloaded, the grain overloaded above the allowance is forfeited effective immediate to the grain's communities' charity of choice with no recourse.

It should be noted that where the grain being transported does not belong to the grower (i.e. sales contracts that are basis ex-farm) the financial impact isn't borne by the grower. This reinforces the need for growers to be kept informed in a timely manner if there have been breaches so they too can assist in managing the mass requirements on grain that is loaded on their farms.

Q: Reporting: Should a national audit framework be implemented by the scheme administrator to audit all parties involved in the scheme?

The industry believes there is no need for a national audit framework in order to report and manage the scheme effectively and uphold appropriate oversight.

ELIGIBILITY: WHO AND WHICH VEHICLES SHOULD GET ACCESS TO THE SCHEME

Q: Commodities: How should 'commodity' be defined in a new HMMS?

Eligible commodities should be limited to "bulk loose agricultural commodities loaded ex-farm".

Q: Commodities: Which agricultural commodities should the scheme include and/or exclude? Please provide reasons for your response.

The working group recommends that the scheme include movement of silage as well as grains, oilseeds and pulses. It is recommended that the scheme does not specify the type of grain, oilseeds and pulses and notes that rice would be included as a grain. We support silage being included. Silage is often cut on-farm and transported directly to feedlots. Like that of grains, the weight of silage is influenced by moisture variability which can influence on-farm loading.

Q: Vehicle Types: Should any configurations be included or excluded from this list?

It is recommended that all vehicles should be included. As highlighted in the GTSN submission the restrictions in place in some justification's places unnecessary burden upon staff at receipt sites. The working group does not support inclusions in schemes that stipulate eligible vehicles to be of a certain age. For example, in Victoria trucks are to be manufactured on or after 1 January 2002. The average fleet age in Victoria is 29 years old, meaning that most trucks are ineligible to participate. Those that are eligible to access the scheme are likely to be able to access a tolerance under existing Higher Mass Limit Schemes. This has resulted in a very low uptake to the scheme in Victoria.

Q: Vehicle Types: Should Performance Based Standards (PBS) vehicles be considered?

No. Given the allowances in place for PBS vehicles, the working group believes such an inclusion wouldn't be in the interest in upholding the intent of the scheme being to respond to unintended overloading.

Q: Mass Allowance: Should there be a nationally set mass limit tolerance? What should this tolerance be (5%, 7.5% or 10%)? Please provide reasons for your response.

The working group seeks a national single mass limit of +10% on existing mass limits on all vehicle types and 10% on axle limits. The grains industry requests that the regulator when determining an allowance that it is supported by empirical evidence that the proposal is sensible and maintains the

intent of the scheme. It is recommended that the regulator analyse existing data to make an informed decision.

Q: Routes: Should a HMMS network or pre-approved routes be established as part of the Scheme?

The working group and GTSN believes that there should be no pre-approved routes to a nationalised scheme. This requirement would add an additional level of complexity and not uphold the policy principle of a simple to participate, comply and regulate scheme. In jurisdictions where routes aren't specified it is reported that the scheme works.

Q: Routes: Should the rule of delivery having to be to the 'nearest approved PGR' be implemented?

The working group and the GTSN do not support the inclusion of this provision. The grains industry believes it imposes restrictions upon the way in which growers undertake their business for it limits their marketing options.

Q: Timing: Should a national HMMS run all year round or be time limited?

It is recommended that the scheme should operate year-round to accommodate changing grain movement patterns, increased prevalence of on-farm storage and changing harvest period. For example, in Queensland there are three cropping programs (Winter, Spring and Summer) which results in harvest activities occurring throughout the year.

CONCLUSION

The Grains GHMS Working Group thanks the NHVR for the opportunity to provide a submission on the review and outline some of the issues associated with inconsistent schemes across the four justifications participating in this review whilst highlighting the opportunities for harmonisation. In implore the regulator considers the recommendations outlined in this submission.

Further, GrainGrowers and Grain Producers Australia are available to meet you at your convenience to discuss our recommendations in more detail.

Yours sincerely,

David McKeon
Chief Executive Office
GrainGrowers

Andrew Weidemann
Chairman
Grain Producers Australia

ABOUT THE GRAINS INDUSTRY GHMS WORKING GROUP

This submission has been compiled by GrainGrowers and Grain Producers Australia (GPA) on behalf of the Grains Industry GHMS Working Group. Members of the working group are:

