Submission No 23

INQUIRY INTO HEAVY VEHICLE SAFETY AND USE OF TECHNOLOGY TO IMPROVE ROAD SAFETY

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1. About the Australian Trucking Association

The Australian Trucking Association (ATA) is the peak body representing trucking operators. Its members include state and sector associations, some of Australia's major logistics companies and businesses with leading expertise in truck technology. Through its members, the ATA represents many thousands of trucking businesses, ranging from owner drivers to large fleets.

2. Summary of Recommendations

Recommendation 1
The NSW Government should encourage the adoption of comprehensive safety and risk truck accreditation systems by extending NHVAS inspection exemptions to TruckSafe operators and other similarly robust systems.

Recommendation 2
To ensure the highest safety standards on the infrastructure investment program in Sydney, the NSW Government should:

- Amend the RMS General Conditions of Contract and the D&C Deed to require relevant WestConnex subcontractors to hold TruckSafe accreditation, or have other similarly robust safety systems.
- Ensure these requirements continue once the Sydney Motorway Corporation is part-privatised.
- Adopt these requirements on other NSW construction contracts.

Recommendation 3
The NSW Government should require that the NHVR does not proceed with the rollout of voluntary EWDs until:

- The fatigue regulations have been amended to include realistic EWD tolerances.
- Further action is taken to increase the quantity, capacity and quality of driver rest areas.
- The standards are amended so that EWDs do not provide a list of breaches to enforcement officers dating back 28 days.
- A public statement has been issued by NHVR clarifying the meaning of a 'voluntary' EWD with specific reference to NHVAS, PBS, notice and permit conditions.

Recommendation 4
The NSW Government should work with the Australian Government to require the fitting of ESC for all new trucks and trailers with only a narrow range of exemptions.

Recommendation 5
The NSW Government should ensure that the introduction of automated vehicle technologies only occurs when they can deliver significantly safer outcomes for road users.

Recommendation 6
The NSW Government should seek agreement with the Australian Government to extend the investigation jurisdiction of the Australian Transport Safety Bureau to heavy vehicle crashes on the NSW road network.

Recommendation 7
NSW road investment should be targeted at improving the safety outcomes of the road network, guided by road crash investigation findings and the need to upgrade road safety standards.

Recommendation 8
The NSW Government should continue to improve the assessment of road projects, ensuring high quality data is used to correctly estimate safety benefits.

Recommendation 9
The NSW Government should ensure improved education of learner drivers on how to safely share the road with heavy vehicles.

Recommendation 10
The NSW Government should invest in well targeted communication campaigns on how to share the road safely with trucks.

Recommendation 11
The NSW Government should require the release of the review of the National Heavy Vehicle Competency Standards, and prioritise the implementation of reforms to improve the quality and consistency of heavy vehicle driver training and assessment.

Recommendation 12
The NSW Government should oppose any introduction of operator licensing for trucking businesses, and continue to support the introduction of amendments to chain of responsibility legislation in mid-2018.

3. Truck safety accreditation programs

Safety accreditation programs, with independent auditing and comprehensive safety standards, encourage high safety standards in the trucking industry.

The ATA operates TruckSafe, an industry led solution adapted over 20 years, which provides operators with an accreditation program that has strong safety standards.

Businesses accredited under TruckSafe are required to meet five key standards. Livestock transporters are also required to comply with a sixth standard, which comprises the strongest animal welfare rules in Australia.

TruckSafe members are audited regularly by independent, qualified auditors. Ten of the twelve auditors are based in regional Australia. TruckSafe has assisted more than 820 businesses since it was first established, and has 94 current NSW based trucking operators.

TruckSafe introduced upgraded standards from 1 January 2017 and operators are now being audited against them. Under the new standards:

- Operators must develop, implement and maintain procedures to ensure that all speed limiters work correctly.
- Personnel involved in TruckSafe must have refresher training every three years, including a practical driving verification for drivers.
- Operators must regularly review their MDLR, speed and fatigue procedures using a system based on ISO31000.

However, despite the comprehensive safety standards of TruckSafe, government policy and regulation effectively encourages operators to join the National Heavy Vehicle Accreditation Scheme (NHVAS), which is not as comprehensive as TruckSafe.

TruckSafe maintenance standards are substantially the same as the NHVAS standards, but have the following additional requirements:

- TruckSafe maintenance standard B.10 requires operators to develop, implement and maintain procedures to ensure all truck speed limiters work correctly. NHVAS does not include this requirement.
- TruckSafe maintenance standard B.4 requires operators to assess the roadworthiness of their vehicles each year. These assessments are not required under NHVAS.

In addition to the differences between the TruckSafe and NHVAS maintenance standards, TruckSafe has additional features that make it more rigorous than NHVAS:

- TruckSafe is an all-in system. Operators in TruckSafe must comply with all five of its mandatory standards and must include all their vehicles in their TruckSafe system. Operators in NHVAS can pick and choose from the NHVAS modules and can choose to nominate only some of their vehicles under NHVAS maintenance.
- The TruckSafe on-road compliance module requires operators to review their safety and compliance risks using a system based on ISO31000. NHVAS does not include this requirement.
- Under NHVAS, operators can select their own external auditor from those approved by the NHVR. TruckSafe assigns auditors to operators and reviews their audit reports in detail. The TruckSafe approach continues to be more rigorous than NHVAS, despite the changes to the government scheme in 2015.
- The TruckSafe Industry Accreditation Council (TIAC), an independent expert panel, reviews and approves applications for accreditation, reviews and approves audit reports undertaken of operator's systems, and reviews and makes recommendations to the TruckSafe Board for the improvement of the TruckSafe standards and audit methodologies. This approach is consistent with international best practice.

Operators accredited under NHVAS receive a number of regulatory and competitive advantages, which are not available to operators accredited under TruckSafe. These reduce the cost of doing business, and can include extra mass, exemptions from inspection requirements and longer working hours for drivers. In NSW, NHVAS operators receive inspection exemptions which are not available to TruckSafe operators.

Following advocacy by the ATA, an independent review by Peter Medlock was instigated into truck safety accreditation schemes. The review findings are expected to be released shortly.

Recommendation 1
The NSW Government should encourage the adoption of comprehensive safety and risk truck accreditation systems by extending NHVAS inspection exemptions to TruckSafe operators and other similarly robust systems.

4. NSW Government construction contracts

The NSW Government has embarked on a significant infrastructure investment program, contributing to a high number of construction vehicles working on projects in Sydney.

The RMS General Conditions of Contract and the D&C Deed for WestConnex do not require that construction vehicles meet specific maintenance assurance standards, other than those required by law. In 2017, a targeted police inspection program of WestConnex vehicles found 33 truck and trailer defects in two days, with 22 infringement notices issued.

The NSW Government's Safety, Productivity and Environment Construction Transport Scheme (SPECTS) enables construction vehicles to carry higher mass if they meet the requirements of the scheme. Westconnex construction vehicles are not required to be enrolled in SPECTS (it is a voluntary program) and its requirements do not, in any case, include specific maintenance requirements. Section 5.2 of the SPECTS business rules merely requires operators to have undefined arrangements reasonably capable of delivering compliance.

Vehicle maintenance is a serious safety and environmental issue

Research shows that vehicle defects account directly for less than 5 per cent of heavy vehicle crashes, but can be a latent condition associated with a higher percentage of crashes. A safety related defect in a vehicle can mean the difference between a near miss and a crash.

Poorly maintained vehicles may also breach their emission requirements, a significant concern for projects in the Sydney metropolitan area.

Recommendation 2
To ensure the highest safety standards on the infrastructure investment program in Sydney, the NSW Government should:

- Amend the RMS General Conditions of Contract and the D&C Deed to require relevant WestConnex subcontractors to hold TruckSafe accreditation, or have other similarly robust safety systems.
- Ensure these requirements continue once the Sydney Motorway Corporation is part-privatised.
- Adopt these requirements on other NSW construction contracts.

5. Safety Technologies

Electronic work diaries

In the ATA's view, technology could have a huge role to play in guiding and improving business and driver behaviour around fatigue management. The industry needs voluntary solutions that will be respected by its users if wide and rapid voluntary up-take of these technologies is to be achieved.

The National Heavy Vehicle Regulator released an Electronic Work Diary (EWD) policy framework and standards at the end of 2017. Unfortunately, the draft policy and standards offer insufficient tolerances and no flexibility, leaving drivers exposed to inconsequential technical breaches that will have no impact on safety.

The inadequate numbers, capacity and frequency of formal rest areas nationwide exacerbates this issue. For example, rest areas are overcrowded and if a driver decides to politely move his/her vehicle to make room for another just one minute before the end of a 15 minute break they will find themselves in breach and have to recommence that rest period. This puts increased pressure on drivers and further affects rest area congestion.

The primary aim of EWDs must be to increase industry safety through better fatigue management by aiding drivers in achieving compliance - not to increase enforcement opportunities.

Therefore, the ATA strongly objects to the requirement in the current draft EWD standards that the devices must provide authorised officers with a list of breaches dating back for a period of 28 days. This approach would not improve safety and effectively means that EWD users would be subject to more stringent rules than written work diary users. This requirement will act as a deterrent for voluntary uptake of EWDs and should be removed from the policy and standards.

Recommendation 3
The NSW Government should require that the NHVR does not proceed with the rollout of voluntary EWDs until:

- The fatigue regulations have been amended to include realistic EWD tolerances.
- Further action is taken to increase the quantity, capacity and quality of driver rest areas.
- The standards are amended so that EWDs do not provide a list of breaches to enforcement officers dating back 28 days.
- A public statement has been issued by NHVR clarifying the meaning of a 'voluntary' EWD with specific reference to NHVAS, PBS, notice and permit conditions.

Fatigue management

The most recent NTI Major Accident Investigation Report by NTARC says that we have seen no improvement in the fatigue result since 2009[1]. The report questions the effectiveness of prescriptive driver hours when compared to the benefits of astute driver management that includes a focus on driver fitness for duty. Our current system of fatigue management does not properly incorporate what is known about the science of sleep. Fatigue must be considered as a biological condition and all drivers as individuals.

The perception that fatigue crashes occur because of long distance driving is simply not reflected in statistical analysis. NTARC crash data demonstrates that outward journeys from the home base (within 500 km) contribute to two out of three reported large losses. Most of these incidents occur on Mondays and Tuesdays (41.1% of major incidents).

This raises a clear need for fatigue management systems to incorporate more comprehensive driver management including monitoring of an individual driver's fitness for duty.

Current law relies on the enforcement of prescriptive and complex work and rest hours that are difficult for drivers to comply with. Compliance is problematic not only because of difficulties in interpretation of the laws by drivers, but also because of a lack of infrastructure to support the laws, including a lack of heavy vehicle driver rest areas. The lack of any flexibility in the prescribed work and rest hours means that compliance is difficult to achieve.

[1] NTI, NTARC 2017 Major Accident and Investigation Report

Last year the Cooperative Research Centre for Alertness, Safety and Productivity (Alertness CRC), in partnership with the National Transport Commission (NTC), began field research to analyse the impacts of the Heavy Vehicle National Law (HVNL) on work and rest hours on heavy vehicle driver fatigue. The research will use alertness and sleep monitoring devices, as well as driving impairment indicators, to measure sleeping patterns, driver drowsiness and driving performance both on the road during real-world work shifts and off the road in a laboratory setting.

The research will objectively measure drivers' alertness across a work schedule, to monitor driving impairment indicators, and to measure the quality and quantity of drivers' sleep during minimum rest periods, so enabling us to provide quality data and evidenced guidance in support of any future reforms.

This research should also inform any future reforms of the HVNL fatigue laws and further development or adoption of technologies.

Mandating ESC for heavy vehicles

The Australian Government has released a Regulation Impact Statement (RIS) on draft Australian Design Rules (ADRs) for mandating ESC for heavy trucks and buses and RSC for heavy trailers.

The ATA supports the fitting of ESC for all new trucks and trailers with a narrow range of exemptions. This will prioritise safety and the imperative to reduce the road toll over higher economic benefit offered by other options in the Australian Governments RIS on mandating ESC and Roll Stability Control.

In its submission, the ATA recommends Option 6a be adopted – Mandatory standards under the Motor Vehicle Standards Act 1989 (Australian Design Rule).

Further detail is available in the ATA's submission to the Australian Government's consultation RIS on mandating ESC and Roll Stability Control[2].

This option is underpinned by Australia's work health and safety (WH&S) legislation and safety risk management generally. Australia's work health and safety laws require businesses to eliminate or minimise risk to far is reasonably practicable. The HVNL will include a comparable requirement from mid-2018.[3]

The ATA has made this recommendation because it is the option that would save the greatest number of lives and avoid the greatest number of accidents, and would do so at reasonable cost.

Recommendation 4
The NSW Government should work with the Australian Government to require the fitting of ESC for all new trucks and trailers with only a narrow range of exemptions.

[2] ATA submission to the Australian Government's consultation RIS on mandating ESC and Roll Stability Control
[3] Heavy Vehicle National Law and Other Legislation Amendment Act 2016, s 10.

Automated vehicle technologies

The National Transport Commission (NTC) is working on a number of reforms to prepare Australia for automated vehicles. The ATA has provided input into through submissions to NTC discussion papers and industry consultation forums. Most recently the ATA has responded to the NTC regarding clarifying control of automated vehicles[4], regulatory options to assure automated vehicle safety in Australia[5] and changing driving laws to support automated vehicles[6].

Automated heavy vehicles have the potential to greatly reduce road crashes and increase productivity. However, the introduction of these vehicles is complex and multi-layered.

This is breaking technology that is yet to be fully trialled, there is no hard data to inform decisions and still many unknowns with regard to legislation, laws and timelines.

The ultimate outcome of the introduction of automated vehicles should be a safer road system. Therefore, government should be aiming for safety outcomes that are significantly safer than conventional vehicles and drivers.

The safe transition to increased automation is of vital importance. A robust safety assurance system along with legislation and laws to support the use and ongoing compliance of automated vehicles, Automated Driving System Entities (ADSEs) and their users is essential.

This is a critical point if the objective is to improve the safety of the road system, as opposed to introduce a new technology. Where automated technologies can reduce the risk caused by human drivers, such as with emergency braking or lane departure warnings, they should be encouraged. But automated driving systems should not be pursued if they increase fatigue related crashes. The ability of the human driver to remain unfatigued, when not engaged with the driving task, has not been demonstrated.

There is already increasing concern in the community and industry about rising distraction for drivers and its ability to contribute to road crashes. It is extremely unlikely that human drivers would not face increased risks of distraction with a vehicle engaged in a conditional automated driving task, again limiting the ability of the human driver to assume proper control of the vehicle. For professional drivers, the prospect of reduced job interest and increased boredom whilst a vehicle is engaged in a conditional automation driving task also raises serious questions about distraction and possible increased risks of fatigue.

The ATA is also concerned about the potential loss of driving skills. The less a skill is utilised the more likely it is to disappear. There is a need to consider how to maintain driving skills, where human drivers remain ultimately in control of a vehicle, if conditional automation driving systems are likely to reduce the utilisation and practice of these skills. There are already significant concerns in the community, and amongst driving trainers and industry, about the loss of quality driving skills.

Recommendation 5
The NSW Government should ensure that the introduction of automated vehicle technologies only occurs when they can deliver significantly safer outcomes for road users.

[4] ATA Submission Clarifying control of automated vehicles, June 2017
[5] ATA Submission Options to assure automated vehicle safety in Australia, July 2017
[6] ATA Submission Changing driving laws to support automated vehicles, December 2017

6. Introducing independent, expert, safety investigations of heavy vehicle crashes

Reducing road crashes involving heavy vehicles requires a commitment to understanding the causes of crashes, and to take action on reducing these causes.

Presently road accidents are investigated by police and/or the coronial system. Whilst this system may meet the needs of the legal and insurance systems, it is not achieving the reduction in road crashes that Governments should be seeking.

The existing investigation system is not suitable to the need to investigate the causes of the accident with relevant experts, including where technology and software needs investigation. This will be an increasing issue as the level of automation in vehicles increases.

In contrast, the Australian Transport Safety Bureau (ATSB) conducts independent investigation of transport crashes and other safety occurrences in the aviation, marine and rail modes of transport. Lessons arising from ATSB investigations are used to reduce the risk of future accidents and incidents through the implementation of safety action by industry and the Government.

The ATSB also seeks to improve safety and public confidence in those transport modes by pursuing excellence in safety data and research and fostering safety awareness, in addition to independent investigation of accidents.

The ATSB is an independent statutory agency that is separated from transport regulators, policy makers and service providers. It is not a function of the ATSB to apportion blame or to provide a means for determining liability.

As stated by the ATSB, no blame does not mean no responsibility. It means that disciplinary action and criminal or liability assessment are not part of an ATSB safety investigation and should, if necessary, be progressed through separate parallel processes. Introducing ATSB investigations of heavy vehicle road crashes would not replace the existing police and/or coronial system.

Currently, the ATSB functions to improve safety and public confidence in Australia's transport system, except for roads, which impacts the daily lives and safety of the wider community. A heavy vehicle crash on a railway level crossing would potentially trigger an ATSB investigation, but one 10 metres down the road would not.

Recommendation 6
The NSW Government should seek agreement with the Australian Government to extend the investigation jurisdiction of the Australian Transport Safety Bureau to heavy vehicle crashes on the NSW road network.

7. Infrastructure Projects

Investing in better roads is also critical for improving road safety. Austroads has reported that "in-depth crash studies have also shown that the road is a causation factor in about 30% of all crashes, while it is known to be a factor in the severity outcome of 100% of crashes."[7] Safe roads are also central to the National Road Safety Strategy and the safe system approach that has been adopted by the Australian, state and territory governments. With the right, targeted, road investments there is the real prospect for "a substantial reduction in serious casualties due to run-off-road, head-on and intersection crashes" as a result of improved design and construction of roads.[8]

The Australian Road Assessment Program (AusRAP) has previously examined almost 22,000 kilometres of national highway, and awarded star ratings (between 1 (low) to 5 (high)) based on their level of safety. Their 2013 assessment reported that the national highways had the following star ratings in NSW[9]:

Star Rating	Proportion of national highways (per cent)
1	9
2	42
3	46
4	2
5	0

The evaluation also included safety upgrade proposals estimated at $1.9 billion in NSW, which would improve the star ratings of the national highways to be:

Star Rating	Proportion of national highways (per cent)	Change in percentage
1	0	Reduction of 9
2	2	Reduction of 40
3	54	Increase of 8
4	26	Increase of 24
5	17	Increase of 17

Whilst this assessment does not capture the impact of infrastructure investments since 2013, it also does not capture the safety standard of the extensive local and state road networks.

In addition to the ratings used by AusRAP and their proposed safety countermeasures, strong safety standards on our highways should also include the provision of sufficient rest areas, especially for heavy vehicles.

The goal of a safe road network and eliminating road trauma will remain hard to achieve as long as such large proportions of the Australian road network have a low safety star rating and standard.

[7] Austroads, *Road Geometry Study for Improved Rural Safety*, 2015, 1.
[8] National Road Safety Strategy, *Directions – what the strategy aims to achieve by 2020*, http://roadsafety.gov.au/nrss/directions.aspx
[9] Australian Automobile Association, 2013, AusRAP Star Ratings Report, 15.

Improving the assessment of proposed road projects

The assessment of proposed road projects is complex, and the NSW Government should continue to implement improvements. Improved assessment of road projects can lead to more informed decision making around investment priorities, ensuring road funding is targeted to reducing road crash risks.

A recent BITRE analysis on the construction of the Bulahdelah bypass on the Pacific Highway reported errors were made in the safety benefit estimation in the cost benefit analysis of the project.[10]

BITRE reported that accident cost savings were underestimated due to the low crash rate used for the base case. The corrected safety benefit almost tripled the accident cost savings, contributed an additional $20 million in benefits and slightly improved the project benefit cost ratio.

Recommendation 7
NSW road investment should be targeted at improving the safety outcomes of the road network, guided by road crash investigation findings and the need to upgrade road safety standards.

Recommendation 8
The NSW Government should continue to improve the assessment of road projects, ensuring high quality data is used to correctly estimate safety benefits.

8. Education of light vehicle drivers

Road safety statistics show that in over 80%[11] of fatal multi-vehicle crashes involving heavy vehicles the fault is not assigned to the heavy vehicle. In 2017, for all heavy truck crashes in NSW the truck was deemed to be the key vehicle in 38% of crashes. Despite these statistics, learning to share the road with trucks is not a significant consideration in Australian light vehicle driver education.

NSW learner information and test material currently available to learners that specifically relates to sharing the road with heavy vehicles includes:

- NSW RMS provides three information handbooks throughout the process of an individual obtaining a full licence. The Road user's handbook[12] includes a section titled "Sharing the road with trucks and buses" (58), which outlines a number of safety points including heavy vehicle stopping distances, the extra lane width required through roundabouts and diagram explaining the sign "Do not overtake turning vehicle."
- A driver must pass a Driver knowledge test (DKT)[13] 21 involving 45 random questions. A question bank of 507 questions is published divided into 10 sections. One relates to sharing the road with trucks and buses, and is about overtaking a turning vehicle. Based on the test questions' content distribution, the probability of any given person being asked the question is 6.25 per cent (assuming the sections are tested equally)

[10] BITRE, Ex-post Economic Evaluation of National Road Investment Projects: Volume 2 Case Studies, 2018, 126.
[11] BITRE Heavy truck safety: crash analysis and trends
[12] NSW Road Users' Handbook
[13] NSW Driver knowledge test questions

- The Hazard perception handbook[14] covers the extra spacing required when following and overtaking heavy vehicles.
- The Driver qualification handbook[15] which is used for drivers to progress from a provisional to a full licence provides a section with information on how to drive safely around heavy vehicles.

In 2014, the US National Surface Transportation Safety Center for Excellence (NSTSCE) project evaluated light vehicle driver education programs targeting sharing the road with heavy vehicles.[16]

The researchers compared the effectiveness of training based on textbooks with the effectiveness of textbook training plus two extra components: an instructional DVD and a hands-on truck experience program. The truck experience program used in the research was comparable to a Volvo ATA Safety Truck secondary school presentation: students were allowed to sit in the cab of the truck, walk around it and learn five sharing the road tips.

Students who participated in the truck experience program showed a statistically significant improvement in their recall of the safe no-zone distance ahead of trucks.

A 2011 meta-analysis of 67 road safety campaign evaluation studies concluded that including personal communication in a campaign resulted in a six percentage point improvement – from 10 per cent to 16 per cent – in the reduction in accidents associated with the campaign.[17]

The meta-analysis defined personal communication as lessons or seminars delivered in person, two-way discussions with a teacher, peer, safety expert or distributor of campaign media, group discussions or personally addressed letters.

This research supports that road safety gains can be achieved through the delivery of targeted, well designed educational and behavioural change projects. Education and information about how to share the road safely with trucks must be a funding priority for governments, particularly as young drivers enter the licensing system.

Recommendation 9
The NSW Government should ensure improved education of learner drivers on how to safely share the road with heavy vehicles.

Recommendation 10
The NSW Government should invest in well targeted, communication campaigns on how to share the road safely with trucks.

[14] NSW Hazard perception handbook
[15] NSW Driver qualification handbook
[16] Baker, S. et al. Evaluation of light vehicle driver education programs targeting sharing the road with heavy vehicles. NTSCE report 14-UM-029, 2014.
[17] Phillips, R. et al. "Meta-analysis of the effect of road safety campaigns on accidents," *Accident Analysis and Prevention* 43(2011) 1204-1218. 1207.
11 Phillips, 1206.

9. Driver Training

The quality and consistency of driver training and assessment is of vital safety importance for the heavy vehicle industry.

Whilst there are many excellent trainers, some train to a price and can be more focused on how long a course will take, and not on the level of competency attained. This contributes to a highly variable quality of training and assessment of truck drivers.

Training needs to incorporate not only the skills that relate to the driving task but the non-driving tasks as well particularly knowledge and skills relating to chain of responsibility, load restraint, fatigue management and work health and safety and use of new vehicle safety technologies.

Austroads have recently completed a review of the National Heavy Vehicle Competency Standards. The report is yet to be released to industry.

Recommendation 11
The NSW Government should require the release of the review of the National Heavy Vehicle Competency Standards, and prioritise the implementation of reforms to improve the quality and consistency of heavy vehicle driver training and assessment.

10. Chain of Responsibility not Operator licensing

The prospect of introducing operator licensing for road transport companies is the subject of growing debate in Australia. The ATA is strongly opposed to operator licensing.

International experience

The existence of operator licensing in other advanced economies is sometimes referred to by proponents of introducing a similar scheme in Australia, so consideration of international operator licensing schemes is directly relevant to the debate.

In the United Kingdom, applications for a goods vehicle license may be objected to by industry associations, trade unions, local councils and planning authorities. Approval is also needed for the location of a depot or operating centre – even if the site already has local government approval. The system also requires that operators maintain financial reserves, at all times, to meet the financial standing requirements of the system.

Closer to home in New Zealand, operator licensing has its roots in the *Transport Licensing Act 1931*, which was designed to protect government owned railways from competition, including limits on the distance that freight could be moved by road. Removal of most of these restrictions was part of an economic reform agenda by the NZ Government in the 1980s.

The New Zealand system also introduces another layer of regulation with license holders focused on individuals within a company resulting in the practical outcome that different trucks in the same operation may be run of different licenses, and the requirement for yet another label that must be displayed on trucks, much like a registration label.

Chain of responsibility

In 2003 the National Road Transport Commission (NTC) compared what was then a new approach to compliance – chain of responsibility – to operator licensing. The NTC rejected operator licensing in favour of chain of responsibility, concluding that operator licensing was anti-competitive and heavy handed.

The ATA has supported amendments to the Heavy Vehicle National Law to impose a general safety duty on all chain parties, including consignors and consignees, and to extend chain of responsibility to cover maintenance and repairs. Amendments to chain of responsibility are due to come into effect later in mid-2018.

Recommendation 12
The NSW Government should oppose any introduction of operator licensing for trucking businesses, and continue to support the introduction of amendments to chain of responsibility legislation in mid-2018.