

REPORT ON PROCEEDINGS BEFORE

**PORTFOLIO COMMITTEE NO. 6 - TRANSPORT AND THE
ARTS**

**PRESSURES ON HEAVY VEHICLE DRIVERS AND THEIR IMPACT
IN NEW SOUTH WALES**

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At Macquarie Room, Parliament House, Sydney, on Thursday 5 October 2023

The Committee met at 9:15.

PRESENT

Ms Cate Faehrmann (Chair)

The Hon. Mark Banasiak
The Hon. Mark Buttigieg
The Hon. Sam Farraway (Deputy Chair)
The Hon. Dr Sarah Kaine
The Hon. Jacqui Munro
The Hon. Cameron Murphy
The Hon. Bob Nanva

* Please note:

[inaudible] is used when audio words cannot be deciphered.

[audio malfunction] is used when words are lost due to a technical malfunction.

[disorder] is used when members or witnesses speak over one another.

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The CHAIR: Welcome to the first hearing of Portfolio Committee No. 6, inquiry into pressures on heavy vehicle drivers and their impact in New South Wales. I acknowledge the Gadigal people of the Eora nation, who are the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past and present, and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respects to any Aboriginal or Torres Strait Islander people joining us today.

I ask everyone in the room to turn their mobile phones to silent. Parliamentary privilege applies to witnesses in relation to the evidence they give today. However, it does not apply to what witnesses say outside of the hearing, so I urge witnesses to be careful about making comments to the media or to others after completing their evidence. In addition, the Legislative Council has adopted rules to provide procedural fairness for inquiry participants. I encourage Committee members and witnesses to be mindful of those procedures.

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Mr GAVIN WEBB, Chief Legal Officer, Transport Workers' Union NSW, affirmed and examined

Mr DANIEL PERIC, Research and Policy Official, Transport Workers' Union NSW, affirmed and examined

The CHAIR: I welcome our first witnesses. Thank you for making the time to give evidence today. Would either of you care to making a short opening statement?

GAVIN WEBB: Yes, I will make a short one. Firstly, I would like to thank you for giving the TWU the opportunity to provide further information in addition to our written submission that was provided to the Committee. The TWU believes this inquiry is a necessary step to addressing the broad range of significant pressures that face heavy vehicles drivers in New South Wales. In relation to the characteristics that shape driver practice, it's imperative that we do not shy away from the clear link that there is between remuneration and truck driver safety outcomes. This has been demonstrated both through our own observations and dealing with our members, as well as through a broad range of academic research. We believe that remuneration is a key contributing factor to the overall pressures faced by truck drivers, their employers and truck operators in New South Wales.

Considering the focus on heavy vehicle overheight incidents as part of this inquiry, the TWU would also urge notice towards the loose requirements that are involved in obtaining a truck licence. It is simply too easy to get behind the wheel of a heavy vehicle in any official capacity. There is a lack of minimum evidence-based progression towards competency-based licensing, and drivers who obtain a licence are essentially thrown to the wolves in the sense that once licensed, they can seek employment with a transport company having only gone through a very basic driving session. At that point, drivers become dependent upon the procedures and monitoring of their employer, leaving drivers unprepared and unequipped with the means with which to navigate the overheight scenarios in question. This, of course, is without mention of the varying and broad range of pressures inherently faced by drivers as a symptom of greater issues within the transport industry.

Another main issue that was discussed in depth within the TWU submission is the unacceptable standard of heavy vehicle rest areas in New South Wales. Our primary research indicates a poor perception of rest areas among heavy vehicle drivers. Through the TWU's own assessments, as well as through consultation with members and non-members, it can be concluded that the quality of rest areas, generally speaking, isn't to an acceptable standard in New South Wales. There aren't enough rest areas in the State and it is common for truck drivers to make the unenviable choice of deciding not to stop at a rest stop, despite requiring to take a break, due to either such rest areas being inadequate, poorly upkept or not being accessible due to cars or caravans occupying heavy vehicle spaces. These factors heavily influence heavy vehicle drivers' usage of rest areas and must be addressed, along with other factors highlighted in the TWU submission. I look forward to taking any questions from the Committee in relation to our submission. Thank you.

The CHAIR: Thank you so much, Mr Webb. We will go straight to questions, starting with those from the Government and Dr Kaine.

The Hon. Dr SARAH Kaine: Thank you both for the submission and appearing today. I want to ask for a bit more detailed information on some of the points you raised in your submission and in your brief summary. You mentioned the well-known or well-established link between remuneration and safety. Could you expand on that, given the terms of reference explicitly refer to the characteristics of the heavy vehicle industry that shape driver practice. Could you say a bit more about that relationship between safety and remuneration and any particular experiences from members regarding it?

GAVIN WEBB: Yes, thank you. It's our experience that the transport industry is an unregulated and quite complex industry whereby there are significant links in the supply chain from the driver, who is ultimately the person carrying the goods on behalf of, ultimately, a client at the top of the supply chain. Throughout that relationship there can be many links in that chain. That creates an inherent economic pressure on each person in that link as it gets down towards the chain, and ultimately it is left on drivers at the end to bear the brunt of that economic pressure.

Because of that, operators in the transport industry—whether they might be owner-drivers at the bottom of that chain or even the next chain up, being transport operators—are effectively engaged in a price-taking exercise when accepting work and contracts. What I mean by that is that because it is such an unregulated industry in relation to remuneration and economic costs, there is significant pressure placed upon the clients at the top of the supply chain—on those operators—to squeeze out and get as much bang for their buck as possible regardless of things such as safety outcomes or outcomes for the people who are actually driving the vehicle. Because of that, and because of the razor-thin profit margins that transport operators have to operate on, what we see in our

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experience with our members is that there is significant pressure placed upon them to undertake their work in a way that ensures it is done as quickly as possible, for example, and for the cheapest possible price.

What we have seen, both through our own experience and also through the relevant academic research, which we have referenced in our submission, is that where there is regulation and where there are enforceable minimum, fair and reasonable standards in relation to pay—not just to drivers but also in transport contracts along the supply chain—that actually achieves better safety outcomes. If there is a pressure placed upon transport operators and drivers in relation to costs, particularly labour costs, there are also similar pressures placed upon transport operators in relation to maintenance costs, compliance costs, safety policy procedures and all of those types of matters as well.

This has only been exacerbated further with some entrance into the market from large multinational companies such as Amazon, for example, who have entered into the market and operate a contractor gig-type model. They then place all of that pressure primarily on the drivers and operate in a way where they, in some circumstances, reduce their costs significantly—sometimes at a loss—in order to obtain market share and push out other operators in the transport industry who perhaps have the experience and the means, and more importantly the desire, to want to operate safely and provide good remuneration and safety outcomes for their drivers.

The Hon. Dr SARAH KAINE: Could I just explore a bit more. You suggest that there is a lack of regulation, and I think you framed it in terms of economic regulation. A number of the submissions that we have received have talked about the great range of regulation, particularly the national heavy vehicle regulation, fatigue management—those kinds of things. Could you please explore a bit more, because there is that body of regulation. Could you explain what you are talking about in this area of less regulation?

GAVIN WEBB: Firstly, to the point about the regulation that currently exists, the issue that we see with that is really around lack of enforcement around that type of regulation. It is welcome to see, particularly in the space of WHS and supply chain accountability, that there is a level of regulation that does require all participants in the supply chain to be accountable for particular outcomes around safety and compliance and licensing and whatnot, but there is a lack of resources and enforcement resources there to actually ensure that that is happening.

But in terms of economic regulation, which is really to the point of your question, what we have seen is that because of the way that transport contracts have been constructed over the years, which in our view are effectively designed to avoid regulation, particularly in relation to labour costs, we see that the people, the clients or the customers for transport operators, whose goods are the ones that are actually being delivered, have no real regulation or requirements placed upon them in relation to what they charge or what they pay for the delivery of their goods to the relevant contractor. What we have seen is that those contracts can have many levels that exist before it gets to the actual person, company or entity—or whatever it is—that is delivering the goods on behalf of that person at the top of the supply chain.

What happens is that as each step in the chain occurs, there is someone taking a cut on the cost of the contract. All that happens is it gets to the bottom and the person who is actually delivering the goods, who is operating on a public road with the public also driving on that road, is facing all of the economic pressure that is being placed upon them from the top. In New South Wales and federally as well, in relation to—sorry, just before I make this point, the overwhelming majority of costs in transport contracts is labour. That is the main component. So whenever there is a customer or a client that is looking to make savings in relation to transport costs, it is usually around labour.

There are other efficiencies can be made in relation to productivity and their economies of scale that can occur in certain operations, but primarily it is labour. At the moment, in the system that we have federally and also in New South Wales, there is very limited ability to have any accountability whatsoever in relation to the labour costs that are placed upon the person actually driving the vehicle to the person that they are delivering for ultimately.

The Hon. MARK BUTTIGIEG: Does that mean that the essence of the solution is twofold, because if you increase enforceability of safety regulation, that in and of itself will stop a lot of the undercutting and corner cutting, but also, if you had minimum enforceable rates of pay and conditions—so those two things, are they the fixes, in a nutshell?

GAVIN WEBB: I think that is right. I would caution against saying that if there is greater enforceability around safety, that necessarily solves the problem because I don't know if we will ever be able to have enough resources to enforce every type of operator that is operating in these supply chains. It is really difficult. But if you are ensuring that transport operators are receiving enough remuneration in their transport contracts to pay their drivers properly, to ensure that vehicles are maintained, to ensure they have proper policies and procedures in

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place in relation to safety and compliance, then those things happen. What happens is that, if they have to cut costs because of labour pressures, we find that the same thing happens in relation to health and safety.

I personally can remember an example where a transport operator, which was subcontracted from one of the largest transport operators in Australia, who was performing work for one of the largest retailers in Australia, had a fleet of four or five vehicles. This operator was effectively forced to take whatever price was offered to them from the transport operator because they were forced to take whatever price was offered to them from the client—sometimes at a loss—purely because, if they didn't, it would just go to the person who was prepared to take that and take on all the risks that are associated with that.

I remember, as part of this investigation we were doing, this operator—I exercised a right of entry under the Federal jurisdiction and went into his office out at Arndell Park in Western Sydney. This is a transport operator operating six or seven trucks delivering goods for one of the largest retailers in Australia, and his office is bare bones. He's got six or seven folders that relate to the vehicles that he's got, which has got the rego information paper. But, importantly, when I asked him to supply pay slips and things like that, he said he didn't have any and he couldn't show me any of them that he had. When I asked what all of these piles of paper were on his desk, he said they were all toll notices that he couldn't afford to pay because the contract price that he was given did not allow him to pay tolls, for example. I had serious concerns about whether that meant he was also able to afford to properly maintain the vehicles that he was operating. We knew that he also wasn't able to pay his drivers correctly.

Through that investigation we saw things like time sheets filled out where suddenly people were able to make trips from Sydney to Tarcutta in 3½ hours, which is just impossible. But these are the things they were filling out and forced to do, purely because if they didn't do that, and if they didn't take a cut themselves—whether it's through labour, through safety or through maintenance—they would lose the contract. If they didn't take it, someone else would be prepared to take on that risk and do it anyway. At the end of the day, the people that are adversely affected by that usually are the drivers or the employees at the bottom of the supply chain, and conversely the public and these who use the roads who are then subjected to significant risk on the road by those people that are forced to drive extended hours—shying away from it. Nobody deliberately chooses to break the law without there being some kind of assessment as to why they are doing that, and a lot of these people have no choice.

The Hon. MARK BANASIAK: In the part of your submission where you talk about the survey that you did on the heavy vehicle rest areas, you said that 51 were either inaccessible or unable to be located. Are you saying that 51, or a percentage of that 51, were just not there? Have they been removed, or do we know what the details are? We have heard submissions about roadside maintenance happening and they just remove the rest areas and never replace them. I am wondering whether those missing rest areas are an example or evidence of that happening.

GAVIN WEBB: I will speak to the best of my recollection of this survey, because I remember the relevant union official that did undertake it and I remember speaking to him about this. From memory, the way that we conducted this exercise was we used the RMS's HVRA map, which showed the location of rest areas, and we engaged someone to go out for a period of time to visit all of these sites. Of the 50-odd that weren't there, my understanding is that he couldn't find them. Either they didn't exist, despite being on the map, or they were—I don't know—inaccessible or were not locatable. That was just based purely off using the information that was provided by the RMS.

The Hon. MARK BANASIAK: As part of this survey, was any work done to understand how many of those rest areas actually meet the Austroads guidelines? Because that is something that all States sign up to and I am getting the impression that we are building stuff that doesn't comply across the board with these guidelines.

GAVIN WEBB: I am not sure if we specifically dealt with the Austroads guidelines. Daniel, did we table a copy of the heavy vehicle report? No? We actually drafted quite a comprehensive report following the survey and the exercise that we undertook, which probably deals with this in more detail. I am happy to table that and provide that at a later date, if that would assist.

The Hon. MARK BANASIAK: Yes, that would be great. Thank you.

GAVIN WEBB: We have only provided excerpts of that in our submission, but I am happy to provide that. I have a copy of it here. It specifically sets out the Austroads guidelines and, I think, our outcomes in relation to each of those. I am happy to table that or provide that after.

The Hon. MARK BANASIAK: That's fine. Have your members spoken to you about, I guess, the quality of road construction and how that's also contributing to their fatigue management? I've heard anecdotally from truck drivers that just the quality of the road—having to always dodge potholes, uneven surfaces—adds to

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that layer of pressure and layer of fatigue. I am just wondering if your members have come forward with any insights on that.

GAVIN WEBB: If you're talking specifically about long-distance driving, the majority of our members, I think, drive on Federal highways anyway and most of them are pretty good, to be honest.

The Hon. MARK BANASIAK: You don't have many drivers driving out west?

GAVIN WEBB: We do, but I haven't heard any issues in relation to the quality of roads. I think, from a metropolitan perspective and shorter distances, the bigger issue has been around the avoidance of toll roads, to be honest, and therefore having to access residential roads and other roads, which may not be as well upkept and—not necessarily dealing with fatigue, but does require a greater level of concentration—stopping and starting, which can make the driving more difficult. But in terms of road quality, no.

The Hon. MARK BANASIAK: I guess the other interesting part of your submission is you talk about emerging technology. You talk about the automated vehicles, but I guess there's also the electric trucks coming out now in Europe, which I understand are a lot heavier and the weight is distributed differently. Has there been any work done by your association as to how that may impact drivers when that sort of technology comes in? I know you have spoken particularly about the automated vehicles and how they're not exactly foolproof.

GAVIN WEBB: You mean electric-powered vehicles?

The Hon. MARK BANASIAK: Yes, electric-powered vehicles. My understanding is that the weight is distributed differently because of the batteries, and that then plays into how they can load their vehicles and just the weight of them. I'm just wondering whether there's something we need to consider, when we design roads and when we design regulations around heavy vehicles for the future, that we take into consideration these things.

GAVIN WEBB: Yes. We don't have any specific view or research that has been undertaken in relation to the use of electric vehicles. But what I can say is there are a number of transport operators that are currently trialling electric vehicles and are undertaking a consultation process with drivers and us, the union, in relation to the use of those in their fleets. Also, in relation to buses, for example, in New South Wales, there is the introduction of electric fleets there. But specifically in relation to safety outcomes and weight and distribution and how vehicles are loaded on the roads, all I would really say about that is first of all I think that's probably not really a matter for us to comment on with the roads and how they might be dealt with in relation to the weight of the vehicle.

But from our members' perspective, I think it's inherently important that we ensure that there is strong consultation between drivers and their representatives, including us, to ensure that issues that you've raised such as that are properly considered before such vehicles are introduced en masse on our roads and, more importantly, that drivers who are required to drive them, who may not have the experience or understand how they operate and work on a road, particularly with weight distribution of their loads—that that consultation has to occur and the best place that that can happen is through a large representative like the TWU.

The Hon. JACQUI MUNRO: Thanks so much for coming and for your submission. I had a few questions. Obviously you have spoken about rest stops as being quite important to managing driver fatigue and increasing safety. I just wanted to get a couple of your thoughts around how rest stops can be developed. Using former road corridors, for example, is something that has been suggested. Is that something that you would support?

GAVIN WEBB: Former road corridors?

The Hon. JACQUI MUNRO: Yes.

GAVIN WEBB: Can you just explain what you mean?

The Hon. JACQUI MUNRO: So using areas that have already had road use associated with them. You mentioned toll roads being used and there are other road corridors or even highways that have been put through and other road corridors have been kind of left to not be used, like through smaller towns and that kind of thing. Are they appropriate as side routes and rest stops?

GAVIN WEBB: To use as rest stops in lieu of heavy-vehicle rest areas?

The Hon. JACQUI MUNRO: It would be like developing rest stops in those areas that have been bypassed by highways.

GAVIN WEBB: First, we would have to understand the volume of traffic that's happening on those. In regional areas, primarily, most of the travel is undertaken on the highways, which is where we say should be a primary focus on rest areas because it's in those areas, in long distances, where there aren't alternative places to access things such as bathrooms or something to eat. I imagine in the places you're talking about there would

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probably already be places where drivers could access things in a town, for example. Like, I don't think that that's necessarily the focus here. The focus should be ensuring that in places where there is not easy accessibility to such facilities, that is where we should put the focus in relation to heavy-vehicle rest stops.

The Hon. JACQUI MUNRO: Are there model rest stops that you can point to that Transport for NSW can be using as a basis for those new developed rest stops?

GAVIN WEBB: Not off the top of my head. I can take that on notice and perhaps consult with the people in our organisation who prepared the report that we did under the survey because there obviously would have been some that met a lot of the guidelines and that we said were sufficient. But I think one of the largest concerns that we had in relation to rest stops was more about even where they were appropriately upkept, they were not accessible. In our survey where we looked at all the rest stops and surveyed some 300 drivers that went through them, 95 per cent of the instances of the respondents reported saying that the rest stops were sometimes, often or always inaccessible due to things like cars or caravans being parked there; 94 per cent said that there was not enough as well. Not only does there need to be better upkeep, but there needs to be more of them strategically placed and also accessible. They can be the most well-upkept rest area in the world, but if you can't access them or they are not properly or appropriately placed, then they are useless.

The Hon. JACQUI MUNRO: More on the driver safety side of things, I understand that competency-based driving trials have been floated and particularly for younger people. Is that something that you would support?

GAVIN WEBB: Do you mean in order to get a licence?

The Hon. JACQUI MUNRO: Yes.

GAVIN WEBB: Yes. As we said in our submission, we did talk a little bit about the low barriers of entry and lack of support and training in relation to entering the transport industry. We definitely believe that there should be some level of competency and training that should be obtained that is greater than the existing framework before someone gets behind the vehicle, or the heavy vehicle, and driving on roads in New South Wales. At the moment, what we are seeing is a lot of the responsibility of that is being placed upon drivers' employers or larger transport operators under their WHS regulations and requirements, but we think that a statewide or mandated competency-based program would be helpful.

In our submission we set out some examples of some that are already provided for by registered trainee organisations. I think TEACHO is appearing later today as well, who can go into a bit more detail about the BlueCard scheme, for example. Mandating things like that would provide a greater level of competency for people when they first become drivers because the lack of support is a significant factor as well as to why there is a significant turnover of drivers in the industry after their first year of driving. There's just this lack of support and training, and people just don't feel comfortable or safe driving because they don't have that support. That's really important as well.

The Hon. JACQUI MUNRO: That goes to one of my other questions around aging drivers. I understand that there is quite a heavy load on the—60 is around the age of many drivers, which means that obviously there is either high turnover early on or people aren't entering the industry. Are there any solutions that you have been able to come up with to that problem?

GAVIN WEBB: Yes, absolutely. First of all, there is a real lack of incentive for young people to enter into the transport industry for the reason I just said before around the lack of support in relation to their upskilling and training. Also, this used to be a profession and career that people were proud to—and most of our members are still proud to be truck drivers, but they are seeing what they are seeing. Because of the things that I raised earlier around the economic pressures placed upon transport operators, what we are seeing is that there really is a lack of economic incentive for people to want to become heavy vehicle truck drivers in New South Wales and across Australia. We see examples where the large retail operators like Woolworths, Coles and Aldi, who operate 70 per cent of all road transport in New South Wales—ultimately their goods are being transported in New South Wales—are requiring or tendering on contracts where every seven years, when their contracts go out for tender, they are reducing in price—10 per cent less here, 5 per cent less here.

What happens is that ultimately gets borne right down to the bottom, where drivers are taking cuts in conditions and pay, which just really drives a lack of incentive for them to want to enter into this industry—which is why we're seeing an older workforce, because they don't know anything else. They don't have the opportunity to be reskilled, so they're continuing to perform the work that they do. But the reality is that the industry is essentially going backwards in terms of pay, conditions, training, support and safety, which means that there is a real—I've had members tell me that they're the second or third generation of their family that have been truck drivers, but they wouldn't want their kids to enter the industry now, just because of the way it's been going.

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That's not to say there aren't good operators that do the right thing, that do pay their drivers properly, that do provide proper support, training and development. They do work with the TWU in order to try to make sure that they secure contracts, that they engage as many workers as possible. But they are increasingly coming to us saying it's becoming more and more difficult, and they are losing contracts and losing work to new entrants or multinational entrants into the marketplace who don't have as great an emphasis on those things and are just quite happy to engage in a race to the bottom and compete purely on labour—which I think, as I said earlier, is one of the primary factors as to why young people do not want to enter this industry.

Just finally on that point, as well, one of the main areas that I primarily deal with in the union is our major road transport operators: people like Toll, Linfox, StarTrack, FedEx, Team Global Express. I meet with people from that company on a regular basis, from a national and State perspective. Every single one of those operators is telling me that they have significant shortages in relation to drivers, some up to 500 vacancies on a national basis. There is a real crisis in this industry in terms of people wanting to enter the industry, both on remuneration but also, importantly, on skill, training and support.

The Hon. JACQUI MUNRO: I have two final questions, if I can. One of them was around the nationalisation of some regulations. I'm sorry I don't know the specific details here, but I understand that there are some moves to move towards a national heavy vehicle law system of regulation. Is that something that—

GAVIN WEBB: Are you talking specifically in relation to labour and industrial relations?

The Hon. JACQUI MUNRO: Possibly. If that is going to be a more suitable way for your members to be remunerated, is that a better path for advocacy?

GAVIN WEBB: We would say that given that truck operators and truck drivers drive on both State- and Federal-based roads, it is important that we have regulation at all levels of government in relation to what you're raising. New South Wales has primarily been a leader of the States in relation to regulation for small businesses like owner-drivers. We have chapter 6 in the Industrial Relations Act, for example, that now we're seeing replicated in Queensland, Western Australia and Victoria because of New South Wales having such legislation since about 1959, I think, off the top of my head.

It is important, though. We are seeing a reduction of players at the top of the supply chain and a concentration of power at the top of supply chain, with large retailers and multinational companies who operate on a national and, in some case, international basis, who don't recognise or acknowledge borders in relation to regulation. So it is important that we have a national framework around that. That should be supported by the existing State framework that we have in New South Wales, for example, but that should also be expanded to ensure that those regulations apply across the entire supply chain and that accountability is across the entire supply chain. Importantly, at the end of the day, there is a responsibility of the New South Wales Parliament to ensure safe roads for all residents and people in New South Wales. We shouldn't have to rely upon the Federal Government and Federal government regulation to do that. Things can change quickly at a Federal level, so we should always have that supported by State legislation, if required.

The Hon. JACQUI MUNRO: Finally, I know you spoke about infrastructure earlier, but you must agree that upgrades to major roads like the Newell Highway, Pacific Highway and Princes Highway assist your members in having a safe workplace through better driving conditions, particularly on those longer routes. Is that fair to say?

GAVIN WEBB: I think I'd have to have a better understanding of what the existing issues are with those roads. As I said to the other member of the Committee, I don't have any specific examples from our members about poor conditions on such highways and whether that affects their driving or not.

The Hon. JACQUI MUNRO: Probably that's a good sign. You will start hearing about it if it's a problem.

GAVIN WEBB: Possibly, but that's more that it wasn't necessarily the focus of our submission, so I'm not properly briefed on it. I don't think it would be fair to say that just because of that that means there's not an issue. But I just don't think I'm across it enough to give you an answer, or commit to or agree with the proposition you're putting forward to me, sorry.

The Hon. Dr SARAH KAINE: We've spoken quite a bit about rest areas and the framing in terms of driver behaviour due to the characteristics of the industry. I wonder if you could maybe talk about the instance with overheight trucks getting stuck in tunnels more frequently and perhaps explore a bit how that might be related to the characteristics you spoke about and the training issues that you've spoken about as well.

GAVIN WEBB: Yes. One of the issues we're seeing is that because of the low barriers of entry into truck driving in New South Wales, specifically in relation to the training and knowledge that's required before

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you get behind the wheel of a heavy vehicle, there is a lack of knowledge and skill for drivers who are new to the industry. As we understand it, in order to obtain your heavy vehicle licence there's no requirement to have any specific knowledge about the vehicle height, load requirements and the like. That responsibility is being placed upon either operators themselves or, if they are employees or subcontractors, their principal contractors or employers.

The reality in that scenario where that responsibility does fall upon employers is that, because of some of the time pressures that they are facing—it's not that they don't want to do the right thing and make sure that the people are operating safely—on any given day in a large transport operation a driver can turn up to work, and they have an allocator who is being pressured by their manager and their executive to just make sure they get the loads out on time. A driver who might be used to driving with a particular vehicle and a particular route can turn up on any given day and is told by the allocator, "I now need you to go here. Take this truck," or, "Take this vehicle. Here's the run sheet. Go and do it." There are things on there that might say the height of the vehicle or whatever it is, but without ensuring that people are actually taking the time to check their vehicle and check their loads, and being told that by their employer, and with those time and economic pressures, we are seeing that that is becoming less and less prevalent, and because of that we're seeing this higher incident of height vehicle incidents in New South Wales. Does that take—

The Hon. Dr SARAH KAINE: Yes, it does. Maybe if you could talk a bit more. The route planning, how is that done? A driver turns up. Are they given the itinerary in terms of where they should go? How is that decided?

GAVIN WEBB: It depends. Usually they are required to take the shortest and quickest route because it's the most cost effective, regardless of whether that's safer or less complex.

The Hon. Dr SARAH KAINE: Is that still the case on tolled roads?

GAVIN WEBB: Yes, that is right. I've given evidence in a previous inquiry before the upper House in relation to toll roads where we had an example of one of the largest transport operators, Toll transport, specifically directing its drivers, carting freight for Woolworths, to not take toll roads when driving in metropolitan Sydney and to take other residential or arterial roads because the cost benefit was not there, and that the cost associated with the toll roads outweighed any cost benefit they might have obtained from taking the safer, probably quicker, toll road. They're not always quicker, but usually quicker. This information direction was given to drivers during the middle of the COVID pandemic, where we were seeing a lower incidence of public users of the road but a greater incidence of heavy vehicle users on the road, particular at a Woolworths site, because of the exponential growth in grocery demand during COVID and an exponential profit growth for operators like Aldi, Woolworths, Coles. Not that it was at their direction; it was at their employer's direction. They were telling them not to take toll roads and to take whatever other possible route to save the cost.

The cost for heavy vehicles in most cases is multiplied three to five times depending on the size, and those costs are significant. If the largest transport operator in Australia, carting freight for the largest retailer in Australia, is telling their drivers to not take toll roads because it's too expensive, you can only imagine what other operators in the industry and other clients in the industry are telling their drivers or experiencing if that's what's occurring. It beggars belief. When it occurred I couldn't believe that that's what was happening, but ultimately it was the cost that was forcing them to do that.

To supplement that as well, that also goes back to the point about the height-vehicle incidence as well, because quite often drivers might be taking routes that they're not used to taking in areas that they may not have the experience of driving in. Because of that, on top of all the other pressures that they're facing, sometimes they make mistakes. One of the biggest problems that we've identified in our submission as well is that it seems to be that all the responsibility and enforceability is placed upon those drivers, which is a real lack of recognition of the pressures that are placed upon them all the way up the supply chain as well. There needs to be some accountability and regulation that ensures that there are procedures in place to ensure that those people who are directing people to cart their goods take some responsibility for that as well.

The Hon. BOB NANVA: The real concern that comes through your evidence in your submission is that drivers are ultimately carrying a lot of the burden of risk-taking, decisions and behaviours, but not much of the control over the structural imbalances in the industry that underpin those decisions. In other transport sectors there is a bit of a concern around the lack of enforcement action over safety management systems and fatigue management guidelines and requirements. In your view, have there been significant prosecutions of operators for failures in the safety management system and fatigue management protocols that have led to a lot of the risk-taking behaviour that you have described?

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GAVIN WEBB: The answer is not enough. Primarily, most of the prosecutions that I'm aware of are normally after the fact of a serious incident or after something has occurred rather than as a preventative measure. Where there have been investigations undertaken by either the heavy vehicle regulator or SafeWork, for example, where they've found breaches, those prosecutions don't normally occur. It's normally after the fact that something happens.

I think the main problem there is around lack of resourcing and lack of support for those regulatory bodies to do that. As the union that represents the majority of transport workers in New South Wales, we do the best we can with the resources we have as well in order to ensure enforceability of safety outcomes in those supply chains by our ability to enforce WHS requirements and the like. But ultimately we are limited in resources as well. I think that whilst there have been some prosecutions on the transport operators, who have to take some responsibility, I can't recall any prosecution where that has extended to those at the top of the supply chain, who are ultimately responsible—or should be—for the cartage of their goods.

The Hon. BOB NANVA: Using the chain of responsibility.

GAVIN WEBB: Yes. I'm not aware of any significant prosecutions where that's actually been effected.

The CHAIR: We are out of time for this session. Thank you both for appearing.

(The witnesses withdrew.)

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Mr ROD HANNIFEY, President, National Road Freighters Association Inc., before the Committee via teleconference, sworn and examined

Ms JULIE DOWNEY, Board Member, National Road Freighters Association Inc., before the Committee via videoconference, affirmed and examined

Mr PAUL PULVER, Immediate Past President, Livestock Bulk and Rural Carriers Association, before the Committee via teleconference, sworn and examined

Mr SIMON O'HARA, Chief Executive Officer, Road Freight NSW, before the Committee via videoconference, sworn and examined

The CHAIR: Mr O'Hara, do you have a short statement to make for the Committee?

SIMON O'HARA: A short statement from Road Freight NSW would be along the lines of the submission that we provided recently, which is that the trucking industry in New South Wales, particularly through COVID, has not only revealed a lot of the issues that are symptomatic within the industry, such as dignity and respect for truckies, but this also means effectively that rest areas are essential, and also that we need to examine the freight industry in a light that is a two-way street. That means that the community, while it expects to have the goods on the shelves that truckies provide by way of carting those goods, whether it be from the port or interstate or intrastate, we need to ensure that that two-way street is one where rest areas are built.

We note some good discussions there with the Federal Government and State Government around Western Sydney rest areas to ensure that not only do we put the obligations on truckies and trucking operators through chain of responsibility and ensuring that truckies particularly get enough rest, but also that we provide facilities as a community to the trucking industry to ensure that they get the rest that they need and that we provide those services to them.

I think my submission and our submission sets out clearly where we sit with a range of these issues. The industry faces—particularly I have seen over the last few days, globally and worldwide, supply chain issues faced by the trucking industry including labour shortages, training and safety. But also, the community needs to ensure that, as much as possible, we provide the dignity and respect that truckies really need, such as rest areas, but also that they're given the opportunity to be able to use facilities such as toilets and showers. I think our submission speaks to a number of those issues.

The CHAIR: Thank you so much. We'll move to witnesses from the National Road Freighters Association. Who will be providing the short opening statement—is it Mr Hannifey or Ms Downey?

ROD HANNIFEY: Yes, I'm happy to do it if Julie hasn't got anything there. Mate, I'm an employed driver and for the last 20 years I've been having discussions, arguments and seeking and begging authorities to build rest areas. We finally have rest area guidelines in place, but that's all they are; they don't mandate the building of rest areas. We are actually going backwards at the moment. One council will shut one little site and think, "What does one matter?" But then that happens in 10 different places and we are losing spots. I'm afraid that outside of our industry nobody else gives a bugger about how we live on the road. During COVID we were treated badly: We weren't allowed to eat; we weren't allowed to use toilets. I welcome this inquiry and the ability to put these things forward.

I have tried consultation with every State in Australia for rest areas. Whilst you occasionally get someone who will listen, we need a national rest area strategy that puts these things in place and puts the onus on government to supply them, because without them we can't operate safely and we can't supply them ourselves. So we need decent rest facilities for drivers to be able to provide everything for everyone in Australia, and at the moment we don't have them.

JULIE DOWNEY: I just wanted to add to Rod's valuable words, if I might, just for a moment. We tried to keep the focus with our submission on matters that would fall directly under the remit of the New South Wales Government. There are so many issues in this industry at the moment that may fall under Federal power, so we have specifically tried to focus on matters that are tangible for the New South Wales Government to address.

The CHAIR: Thank you very much; that's very useful to know. Mr Pulver, do you have a statement to make?

PAUL PULVER: Yes. The whole issue that we're going to talk about today, we believe, has been increased—the issues have been increased—due to the lack of drivers. We can build more rest areas, which we encourage. We've been talking about this for 20-odd years. We have statements put out, and we have people doing studies et cetera. But we've got to get over the studies and we've got to get in and start to build the rest areas and

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we've got to stop shutting down rest areas that we currently have. We need to work on the driver issue because what's happening at the moment is that drivers that might just come in and do 48 hours for the week—they're now having to do an extra shift, because we haven't got the driver to do it, or an extra load. That's putting pressure on drivers. That's putting pressure on the rest areas et cetera. So it goes down the line.

We just want to see some actions and we don't want to see any more of these \$6 million rest areas that are built. You roll out of bed because you're on such an angle, right? We don't want every rest area that we have to be a \$6 million one. Rod Hannifey, who is on the line, has done a brilliant job with the 3-2-1 green reflector program. People said, "Well, they're not compliant with some of the rules." Well, we can't take them away because we've got nowhere else. We honestly believe every 15 or 20 kilometres there should be somewhere where we can get off the road and take a rest if we need to or check our loads. Thank you.

The CHAIR: Thank you very much. We'll move to questions. I ask members to indicate who they would like to direct their questions to for this round.

The Hon. Dr SARAH KAINE: Thank you all very much for making the time to appear today and for your submissions. My question is for Mr Hannifey. We just heard Mr Pulver speak about your green reflector program. I wondered if you could speak a bit more about the genesis of that program and what it is and what it does. I note in your submission, and I think in the National Road Freighters Association submission as well, the idea that that's something that could be expanded on. Could you talk about what it is and maybe what your ideas are for it?

ROD HANNIFEY: It came about—I was on the road. I was driving a fuel tanker. I was on a road I wasn't familiar with because I hadn't spent a lot of time on that road, and I should not have been driving. I was tired. I had a load of petrol on. And because I didn't know the road, I didn't know where the proper formal rest areas are. Even as a driver, you're driving along looking for somewhere. And if there had been somewhere safe to pull up—it might have been just a shoulder; it might have been what the green reflectors mark now—I could have either put my head down and had 15 minutes over the wheel, and that might have got me to a formal rest area, or I could pull up, get out, walk around the truck, at least refresh myself, and then travel on safely. But if I don't know those bits of dirt are there—if they're not marked in any way—they don't exist. So the idea was of marking those bits of dirt.

Now, if a driver travels the same road every night, he knows where those bits of dirt are. He knows where it's safe to pull up. If he doesn't or he gets to that point of tiredness—and I have had blokes say, "I know there's somewhere to stop but I couldn't remember where it was, and by the time I recognised it I was past it." And then they have to drive on tired. So the intention—we started off with blue reflectors. Victoria, when we approached them, and Western Australia, would not accept blue reflectors. The blue did match our parking bay signs; that's why they were used. But they say, "We use them on fire hydrant posts." I did explain to them, "We're not going to have a fire hydrant in the middle of the Nullarbor, nor are we going to have a parking bay in the middle of Melbourne, so there's no conflict." They said no, so we changed to green. It is accepted now in Queensland, New South Wales and Victoria. South Australia has just done a trial. I have just come back from the Northern Territory. I rang them and I said, "Are you aware of the green reflector marking of informal truck bays?" They said no. I said, "There's now 13 bays up there."

Six months on, I am still waiting for them to ring me back. I want it to be a national system. When it started, I thought it was going to be an interim thing that maybe in 10 years time we would have enough parking bays, because I was very much involved in getting more, but it hasn't happened. I'm not allowed to put them up. I know I'm in front of a parliamentary committee, but I keep putting them up now because about every month—and it only happened two nights ago. A driver called me up and said, "Mate, I knew there was somewhere to stop here. Jeez those reflectors are helpful." While ever I have drivers telling me I saved their life, showing them somewhere safe to stop, then I will keep putting those reflectors up. I'd like to see it done by the governments. They won't, so I keep doing it. It is the simplest, cheapest and most effective road safety initiative. The first ones went up 23 years ago and I'm still arguing now to get them Oup.

The reason I thought they were going to be an interim is, as I said and Paul said, we are losing spaces. Every time they bypass a town, we lose parking. You get one site, and I can name you five straight off the top of my head on the Hume Highway, the most truck-prolific road in Australia where someone has come along and said, "No, that's too dangerous; we're going to take that away." It's simply another spot, and it might be that you're tired. It might be we're getting older. You might need to go to the toilet. You might need to get out and check a load. I'm in the Pilliga Scrub at the moment. You might hit a kangaroo and you need to pull up and check to make sure that no damage has been done and that you are safe to continue, and yet those places don't exist. The green reflectors are now the fifth tier in those national rest area guidelines, and I contributed to them, but there's policy.

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We're now doing another study to tell us all the stuff that we already know that we want done, and the money going into the study could be building rest areas now. It could have been doing it 10 years ago. I'm on the Federal rest area committee, and we have money available but the councils are reluctant to do it. It's co-funded so there's going to be delays, and we are still going to be five years down the road before we get another rest area. In those times, drivers will die. They will be involved in accidents because they had nowhere to stop when they were tired. I have dealt with every single government in Australia and asked them to build rest areas. If you go through my submission, you'll see my consultation. I've tried before works were done. I've tried during works and I've tried after, and they've just torn up 40 kilometres of the Newell Highway that could have been free parking bays. I am so frustrated that our blokes are put in this position because somebody and nobody else bloody well cares.

The Hon. Dr SARAH KAINE: I ask a follow-up question, and forgive me it's trying to get a clear picture both in New South Wales and federally. You saying that the green reflectors are the fifth tier. Is that in the Austroads guidelines? You said they were the fifth tier in the guidelines.

ROD HANNIFEY: Yes.

The Hon. Dr SARAH KAINE: So that's a national thing, but then you also said—please correct me if I'm wrong—that you're not allowed to do this anymore in New South Wales.

ROD HANNIFEY: I'm not allowed personally to do it. But they won't, so I do. The same in the other States. I put them up in Western Australia. I put them up in the Territory, but I have rung the Government. I have explained the process. I have emailed it to them. I have given them the data. There are guidelines under the TMR webpage that shows how they should be marked, and the intent is three, two, one so that you see the three on high beam and it's simply to give you enough warning to safely stop instead of driving along and going, "Oh, Jeez, I coulda stopped there," and locking everything up and trying to stop at the last second, which is another hazard that we really want to get rid of.

The Hon. Dr SARAH KAINE: It's more a case that the existing ones are there and they're accepted as part of the national guidelines but any further advances for the reflectors would have to be done by some government mandate; that's what you've been told in New South Wales.

ROD HANNIFEY: Yes, and I can't get them to actually do it nor can I get the other States to get behind it and yet the first ones went up 23 years ago.

The Hon. Dr SARAH KAINE: I note that in both yours and in the National Road Freighters Association submissions that you talk about the loss of rest areas, and I know you just mentioned it there, but could you provide a bit more detail about the changes in rest areas over the past 10 years or so?

ROD HANNIFEY: Yes.

The CHAIR: We might also go to the National Road Freighters as well, then; we want to make sure everybody gets a go. Would both or either of the witnesses for the National Road Freighters like to address that? Mr Hannifey?

ROD HANNIFEY: Yes. Perfect example—coming out of Sydney on the Hume Highway at the top of Colo Vale Hill was a large area where the overpass is. Now, it was a bit broken up. I rang the RTA, at the time it was. They had put the barriers up around it, and I said, "What's going on?" "We're going to fix that." Three weeks later, I came past and what they had done was put Armco from end to end, completely sealing off the area. I said, "Well, why is this?" It took me at least six phone calls over six months to get people to ring me back to tell me that one of their officers had come up the road. He had a truck pull out in front of him out of the bay and because the road was so damaged with potholes the truck was very slow pulling out, and he deemed that to be dangerous. So without any industry consultation—they never spoke to one person in the industry that I'm aware of—they spent money to close the bay, instead of fixing it.

Now, people with the best of intent, I understand, see it from their point of view, and that bloke says, "Well, it's only a couple of bays. It makes no difference." But when that happens time and time and time again—and you look at the Pacific Highway. Before they started the duplication, I said there were not enough parking bays on the Pacific Highway. I wrote lists, I did stories, I jumped up and down, and I wrote emails. Yet when they started that duplication, we have a changeover facility at Tarcutta, which is for the Hume Highway runners between Sydney and Melbourne. Instead of living in the truck, a driver drives from Sydney to Tarcutta. He gets out of his truck or swaps trailers, and he goes home. I said that that was required on the Pacific Highway for drivers. We are struggling to get them in, as Paul said; some don't want to live in a truck because the facilities aren't there and the toilets, the food, the rest areas.

They knew that we needed a similar facility on the Pacific Highway. They spent billions of dollars on that highway, and the highway itself is good, but every town that was bypassed was another rest area lost. Nothing

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was done about a changeover facility. A lot of the blokes that run Brisbane-Melbourne, because of the state of the Newell Highway and how bad it is, plus the animal strikes plus the damage to trucks, are running via Sydney. That has put even more pressure on the Pacific Highway, and it didn't have enough rest areas. They built two or three—as Paul said, mate, they built one at Four Mile at Taree. They paid \$25,000 each for three architect-designed table and chair sets that I could have made for \$1,000. That is the problem: We aren't getting what we need; we're getting what other people think we need.

The last thing I'll say to you is, as he said, they built a rest area on the Hume at Conroys Hill, and it's on a 45-degree slope. I rang the RTA and I said to the bloke, "Mate, could you sleep in your bed on a 45-degree angle?" He said, "Don't be a smart Alec." I said, "Go and have a look." They spent \$800,000 there. That money is lost, thrown away and will never be used because the people that built it don't have to live in it, and they don't understand that we need decent sleep to operate safely.

The CHAIR: Mr Pulver, did you have anything to add to that?

PAUL PULVER: If I could just make a couple of comments on the green reflectors. We have regular quarterly meetings with the New South Wales transport, and parking bays and rest areas come up all the time. They've inspected some of the green reflectors, and they're deemed to be noncompliant. We've gone back to them and said, "Well, you can have something that's noncompliant, which may be 10 metres too short going back onto the road, but is it better to have those green reflectors there and get a driver who is tired off the road or is he better to continue down the road when he's tired?" There is consultation to say to stop the green reflectors. I don't think we'll see them put the green reflectors up.

But it's something that you've done personally, and I think the rest of the industry and the industry association that I speak for—well, I can't speak for them, but I will—would encourage you to continue to do so. The other thing that we would really like is that parking bays don't have to be \$6 million ones. We need to make quite sure we have consultation with Transport for NSW and the council before they make a stockpile. When they then put the stockpile in, it can't be near a farmer's house. According to the rules that say they can drive in and out with their truck, we can, and those will be shut from time to time. But I came down the Pacific Highway the other day and three out of four of the next parking bays were closed.

The Hon. JACQUI MUNRO: For Mr Hannifey or Ms Downey, obviously we've been talking about rest stops a lot. There was a figure mentioned about the reduction of rest stops from 25 to six rest stops on the Newell Highway, and I was just wondering how that figure was arrived at.

ROD HANNIFEY: Mate, in the section of the highways from Moree to Goondiwindi—it's part of the Newell Highway—they started rebuilding the road. When they started rebuilding the road, there were three informal truck bays. There was one either side, with very large dirt bays. They'd been there for the 30 years I've been running this highway. They'd never been marked with formal signs but had been marked with green reflectors. There was another one a little bit further up that was also an informal bay. It was a good size; you could get well off the road under a tree, clear of the road. When they started that work, I contacted the RTA and I said, "Now, can you at least guarantee me that we will not go backwards?" "Oh, we'll look at that." I rang them during the works and I said, "What's happening with these resting areas?" They completely took away the two big dirt ones; they disappeared altogether. The one that was informal, where you could get off under the shade, they spent \$500,000 and destroyed it. They paved it; they put Armco.

It's off camber—I don't know if you understand camber of the road, where it leans one way. In 90 per cent of the trucks, the driver sleeps with his head on the driver's side, because when we pull up on the side of the road, it leans down to the left. That now leans the other way and you can't access the tree. You can only get two spaces in it, so we went from 30 spaces where trucks could park to six in that area. Then they tore up 40 kilometres of the old road, which we could have had as free parking bays. We didn't need the 40 kay, but a kay here and a kay there. They would have actually saved money by leaving it there, but what they did was they tore up every single metre of the old road which had been replaced with the new. I called them criminally negligent, and I stand by that accusation.

The Hon. JACQUI MUNRO: So you would generally support the use of former road corridors as rest stops and potential places that rest stops can be created.

ROD HANNIFEY: As Paul said, if you read my submission, it goes through there. I've raised it in Federal Government; I've raised it in every State in Australia. The stockpile sites—yes, they're used probably about three months every three years. They have hardstand. They generally have more shade in them than our truck stops because, when they build a truck stop, they knock all the trees down, whereas a stockpile site is just a little bit sort of dug into the scrub. They put their stockpile there until they've fixed the road. It's generally got access for trucks, and we could have them as free parking bays, even if they were marked or signed. They could

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be done with green reflectors, as an alternative, and we would solve the rest area problem overnight with simply the number of spaces.

On top to have that, yes, we need access to toilets and we need showers in some places. They would be really nice, but we could solve this problem within three months if a government said, "We are going to do it." South Australia has just done from Port Augusta to the West Australian border with green reflectors. They've done it as a trial and, of the 24 sites, 12 of them are stockpile sites. They have approached me and said, "We're concerned about drivers using them, and what happens when we want to use them as the road authority?" I've said, "Okay. You cover the green reflectors or you put up an interim sign that says, 'This is closed for the next month' so it gives drivers warning." You don't close every one of them, though, like Paul just said, on the Pacific.

Some of the time now, road authorities will go to a stockpile site—I was at one at Brewarrina the other day. It's the only parking bay for 100 kilometres signed for trucks, and it was three-quarters full of roadbase. So the one signed truck rest area we have they come along and fill with roadbase. They could have done that anywhere. That puts a driver who is expecting to use that site with nowhere to go and nothing to do but to either pull up in the middle of the road, try and miss the shoulder and hope his truck doesn't roll over if it has been raining, or keep driving tired, and he should not be put in that position.

The Hon. JACQUI MUNRO: I have two follow-up questions to that. With the green reflector bay areas, do you ever have trouble with non-truck drivers coming in to use those bays or areas?

ROD HANNIFEY: No, because generally they are only bits of dirt. There have been posts put on social media for caravaners, and there's a fellow that has a site called Truck Friendly and he did ring both TMR and RTA and say, "Are they for trucks only?" Initially, they were only told about within our industry. I did put posters up along the Newell, and I have just reconstituted a poster put up in some of the other places to make drivers aware who I don't get to talk to or don't understand them. I called a driver the other night. I said, "Are you aware of the green reflectors?" He said, "No." I explained to him what they do. He said, "Shit, that's a good idea. That should be everywhere." I said, "Yes, I agree." But because I do it, I don't have the money as a personal person to go out and do big advertising campaigns. I did get some more support from the NHVR when we did the Newell. But at the moment, the drivers know. There has been talk of it in caravan sites, but that has been tempered with saying, "If you need somewhere to pull over and perhaps let trucks pass"—because we know a lot of caravaners travel slower and below the limit—"do that, but these areas are for trucks. They are for short stays, and you shouldn't be in one unless you absolutely need to."

We've also done a video about educating caravaners in truck bays. There are two other factors. Even though there might be a sign on a rest area with a truck, that doesn't mean a car can't use it. As truck drivers, we don't want tired car drivers or tired caravaners travelling down the highway either, but if they come and take those sites which are specifically for us and they don't understand our needs—quite often they pull in at five in the afternoon. They don't drive very much in the night. They look around and they think, "Look at all this space. We'll spread out. There's nobody here." But then at 10 o'clock at night, some bloke in a B-double or a road train or, if you get into western Queensland, a triple road train has to get into that site and go to bed. We need some education of those people about our needs and for them to have a little bit of empathy for what we need to do as well.

The CHAIR: I am going to prioritise questions to other witnesses as well.

The Hon. JACQUI MUNRO: I will ask that now. You did actually answer my secondary question, so thank you so much for that, Mr Hannifey. My next question was to Mr O'Hara. It was around cadetships for drivers. We've been speaking more about the infrastructure, but in terms of training up young drivers, do you think that there should be training for younger heavy vehicle drivers, and what do you think regulations around that would look like, particularly for drivers around the age of 21 or younger?

PAUL PULVER: That's me, not Simon. That's Paul, with cadetship. Is that right, Simon?

The CHAIR: Mr Pulver, if you have a response to—

SIMON O'HARA: There have been discussions around that but, Paul, I am happy for you to take the question, if you'd like.

PAUL PULVER: We've put forward a proposal for a cadetship. The reason why we've done it is the fact that we haven't got any drivers. We go back to the driver testing that we have today, which is virtually the same as we had 40 years ago. Forty years ago we had trucks that were very difficult to drive and took a lot of things and had a lot of accidents. Today we have got seeing machines that see if the person is a wake or not a wake, and it goes to a call centre et cetera. We've got lane departure. We've got adaptive cruise control. We've got EBS and roll stability so they don't tip over. The truck also has it. We've got automatic trucks. I took three members of

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Transport for NSW down to Canberra 12 months ago. I had them driving around the old police training track with a 20-metre semi, and they did that in half an hour.

We proposed that we would have 200 hours of on-the-drive driving with another driver in a safe truck and they would have to be hand-picked, the people, to make quite sure they hadn't done anything wrong. We want get to a situation where we can go into schools and say to the schools, "If you keep your nose clean, mate—and we're not worried about if you get booked for not using the indicator, but you can't go neg driving, DUI or anything like that—we will give you a job and we'll put 200 hours." That's a lot of money to be spent. We're not asking for any government money at all. We're going to do the whole thing ourselves. We will have tracking on the trucks and we'll know.

You can have a safe driver at 15 years old in these trucks today. What we've traditionally done is we put them in the old truck because we say if they have an accident, it doesn't matter, the truck is only worth 20 grand. But we're setting up them to fail. What we want to do is set them up so that it becomes a career and they'll stay with us forever. But those licences would be connected to that company. The company would have to have accreditation and be signed off. People say, "How do you know a good company from a bad company?" Well, the NHVR know who's who. New South Wales has got so much monitoring out there, they know who's who and who's good and who's bad. Then, when they go to get their licence at 18, they would go to the toughest person you want to set up. We don't want to turn round and say who's going to license them. You can pick who licenses them, but that licence would only be for that company. You can't have them getting a licence with Roadmaster and then they turn round two weeks later and say, "I'm going to go and work for Joe Blow." You've got to stick with it. So that was the idea.

So far I've gone through three Ministers—and one of them is there, I think—and I've got some reasonably positive feedback from them. But as the wheel turns very slow down there, we need to progress it because once they're gone out of school, they get into the social life, and the social life you have as a truck driver is nowhere near the social life that people who are a carpenter, a bricklayer or mechanic have. We've got to make quite sure that we get in; we've got to look after them. What we did 40 years ago, we don't do quarter of that now, right? The safety aspect out there is unbelievable and we've done nothing to change the driving. We've got blokes V8 supercars at 16 years old. We've got blokes flying planes on their own at 16 years old.

The Hon. MARK BANASIAK: My first question is to Mr Hannifey. Obviously, I sense the frustration in your submission. You talk about the removal of all these rest stops and all these parking bays. Can you explain to us what that means for a truck driver on the road in reality? Transport for NSW doing this, is that forcing yourself and your colleagues to either bend the rules, break the rules or endanger yourself?

ROD HANNIFEY: Mate, you make a plan when you leave. Let's say I'm going to drive from Brisbane to Melbourne. I make a plan: I might eat here, I might sleep there. But then before I even get out of Brisbane, there's a bugger-up in the traffic, something goes wrong and I've got to change that plan. So I can't write a locked-in plan that I'm going to comply with because every factor that affects my life on the road is out of my control: traffic, weather, storms, vehicles, idiots—whatever it might be—the load gets changed, something happens. I make a plan but then I know it's flexible. Then once I get to a point I either want to have a meal and go to bed or I need somewhere just for a kip. Most of the rest areas don't have any shade. I'm lucky I have what's called an ICEPACK. It's a refrigerated air conditioner that runs with the truck. But then the poor bloke next to me doesn't have one of those, and he's trying to sleep without one and he can't get good sleep. That's why the design and the ways bays are built has such an impact. It's not just a place where I might get a sleep; I've got to be given a place where I can get good sleep. If a truck can pull up either side of me with a fridge motor on one side and a stock crate on the other and I've planned seven hours, what do I do then? I can't tell them to nick off because I'm tired. We have to have the design right in the first place.

When they close places, it's just one less opportunity. I've got to say to you, mate, we're all getting older. Unfortunately, we need to go to the toilet a little more. Those facilities don't exist. You might not like the fact that I'm gonna tell you I pull up on the side of the road and I'll get out and have a pee, but while I'm out I'll check the tyres and I'll have a look around the load. As I said, I might have hit an animal. If I hit a roo and I just keep driving for the next two hours, all that could have done is just bent a mudguard back and put a bolt now going into a tyre. Instead of me getting two hours down the road, half an hour down the road the tyre blows and explodes and does more damage, or it forces me to crash. Now, if I had somewhere safe to stop—even if it was just a bit of dirt or a green reflector bay—I can get out, do that check and go safely on.

If those places don't exist at all, or if they're not marked in any way, technically then at night they don't exist because you don't see them until you're on them. I can show you photos of nearly every single green reflector bay that wasn't green until I got there, that has great big black lines of skid marks where a driver has been looking

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for somewhere to stop and then gone, "Oh, shit, I can stop there" and locks up. Now, if there's a truck right behind him, there's a possible accident scenario there.

As Paul said, we have asked for 20 years for something like an absolute minimum of a bit of dirt every 20 kays. We don't need billion-dollar rest areas—and they go and build one. They do design work. And the other factor I'll say to you, mate: Next time you're on the highway at night—I don't know how often you do that. Most car rest areas signed for cars—many of them are signed "no trucks"—have the toilets. They have the tables and chairs. They have the shade and they have the facilities. They already have the deceleration lanes and acceleration lanes in place, yet we are left out of those sites.

If they were built properly and designed to allow for both, you would get better value as the builders. If you build one for cars and one for trucks, you've already spent a million dollars on that deceleration lane before you even start to build anything in there. The number of trucks has grown exponentially. The number of cars and caravans—and caravans have just exploded, and of course they'll pull up anywhere. When you take those sites away, you limit our choices and our ability to operate safely on the highway.

The Hon. MARK BANASIAK: Thank you. You were talking about the difference between the car rest areas and heavy-vehicle rest areas. Based on your experience—it sounds like you're familiar with the Austroads guidelines—how many of the heavy-vehicle rest areas you see along the roads would actually comply with the guidelines on heavy-vehicle rest areas in terms of key safety features and amenities, currently?

ROD HANNIFEY: The last national study that I'm aware of was done in 2012 by ARD. At that time, not one of our major highways met the required minimum suggested standard for the number of sites. There are some good sites. The one at Four Mile at Taree—again, I rang when they started building it. It took me eight phone calls. The bloke said to me, "What do you want to know?" I said, "Well, I want you to send me the plans." He said, "Why?" I said, "Because I might sleep there one day and I want it built so that it's good for me." Now, he did send me those plans. They modified the design. It has an area at the back. It has a big sound-wall in the middle, so behind the sound-wall you can pull up there for long breaks. It has an area at the front for a bloke who's only pulling up for 15 minutes for a toilet break or a snack or because he's got to be compliant.

That's the other underpinning thing: We are required by law. All the trucks are tracked now. All the data is there to tell people how far I've travelled, how fast I did it and how long I went. If I don't comply with that law and I get to that rest area and it's full, there is some sort of a grey area that I can write in my logbook, "I had to drive 15 minutes on to get to the next one because it was full." But then I've actually got to prove that. What am I supposed to do? Pull up in the middle of the road, get out with my phone, take a photo of the full rest area that I can't even get into and then drive down the road? What if the next one's full?

There is not sufficient capacity simply in the number of spaces for trucks with the way they operate. I'll be completely honest, years ago we did a lot more hours than we do now, but now we have all this compliance. The weight is on us; the penalties are onerous. So often what we get knocked off for—for example, not simply putting a date on a page on a logbook—has nothing whatsoever to do with road safety, but that can incur a \$700 fine. Blokes who get picked up for drink driving, where they've deliberately drunk alcohol and driven on the road, get less fines than we do for a mistake on a page. We were told the HVNL review would fix that. We're a bit doubtful, but we're hopeful and ever positive, which is why I'm talking to you, because I believe there is value in raising these issues. But the fact that it's taken so long to get to this point where I get to talk to you, when I've been doing it for 20 years, as you said, the frustration is really there.

The Hon. Dr SARAH KAINE: Mr O'Hara, the Road Freight NSW submission draws a link between the shortage of drivers and training. Could you think about what recommendations you would have for us as a committee about those two issues, or what we should be considering with those two issues?

SIMON O'HARA: Dr Kaine, we do. In terms of training, for a number of years I have looked at lots of discussions with training providers, but also with TAFE. What we need to look at particularly is focused funding for TAFE and a willingness from TAFE. Look, from my perspective, I'm a big proponent of TAFE. I have always seen TAFE as being the premier trainer not just for trucking but for other things as well. I think some focused funding and a real will to ensure that courses that students would need are available. I don't mean that you've got one course in Tamworth that might go into a particular subject and then perhaps another in, for instance, Western Sydney. It's got to be doable; it's got to work. You've got to have funding there, but you've also got to have a will, particularly from TAFE, to ensure that the types of courses that the industry needs are available, and that they're available for people from rural and regional areas, but also from Greater Sydney. So that would be one recommendation I'd make. I spent a number of years talking to TAFE about what it could do, for instance, for the trucking industry, and I have to say, frankly, those discussions have been quite problematic. So that would be one aspect I'd raise.

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In terms of the availability of truck drivers and new entrants, it's not a problem that's just limited to the trucking industry. There's a range of industries that have issues with getting hold of labour, but also getting hold of experienced labour that can perform the role. So, on that subject, what we're going to see is a whole new cohort, and I have discussed this, indeed, with Transport for NSW through our quarterly meetings, but also through the overheight truck taskforce that's in place at the moment, which you're aware of, in terms of the type of cohort that's coming through into the industry. That will require pretty extensive training, I'd suggest, particularly given that a lot of them are coming from a non-English speaking background.

In terms of pairing that training with the new entrants, that's going to be essential because we're going to be coming from a completely environment than we have in the past in terms of those truck drivers coming on through. What we're seeing as well is that cohort that have perhaps traditionally been part of the trucking industry, which Rod is a great spokesman for, for instance, we're seeing them slowly retire and leave the industry. So we're seeing the shortfall continue to grow, which is an issue, but we're also seeing new entrants that perhaps need a bit more—how would I put it—training and focus in a different way than we have perhaps in the past.

The CHAIR: Thank you, Mr O'Hara. We're out of time for this session. Thank you all very much for appearing today.

(The witnesses withdrew.)

(Short adjournment)

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Mr SAMUEL MARKS, Policy Director, National Road Transport Association, sworn and examined

Mr GAVIN HILL, Acting Chief Executive, Austroads, sworn and examined

Mr PAUL DAVIES, General Manager Programs, Austroads, before the Committee via videoconference, sworn and examined

The CHAIR: I welcome our next witnesses. We will start with short opening statements.

PAUL DAVIES: Firstly, I would like to thank the Portfolio Committee for the opportunity for Austroads to contribute to this inquiry. Safe and productive heavy vehicle operations are crucial for our communities and our economy. Austroads is the association of Australian and New Zealand transport agencies and we represent all levels of government. We are owned by Australia's and New Zealand's road and transport departments and the Australian Local Government Association, and our owners are our members. Austroads helps its members and Australia's local governments to adopt harmonised road safety practices by delivering guidelines on the safe and effective management and use of the road system, developing and promoting harmonised national practices and providing advice to member organisations, and national and international bodies.

Transport Certification Australia, or TCA, as a part of Austroads, administers the National Telematics Framework which provides monitoring and reporting of vehicle movements, speed and mass. Our submission focuses on several key areas to improve the safe and productive operations of heavy vehicles in New South Wales and more broadly, including our work with States and Territories to improve the National Heavy Vehicle Driver Competency Framework; our guidance on heavy vehicle rest areas; findings of a recent technical report into signage to divert overheight vehicles; and TCA's National Telematics Framework, which provides for vehicle route monitoring among other parameters to support policy and regulatory aids. Thank you.

The CHAIR: Mr Marks, do you have a short opening statement as well?

SAMUEL MARKS: Yes, thank you. The National Road Transport Association is pleased to appear before this inquiry as Australia's largest national representative road freight transport operators association. NatRoad represents road freight businesses from owner-drivers to large fleet operators. The bulk of our membership comes from New South Wales. Let me say from the outset that the current economic and regulatory operating environment is the most difficult for our sector in our living memory. Putting aside the well-publicised collapse of Scott's Refrigerated Logistics, the exit from the industry of smaller, less well-documented operators continues unabated and relatively unnoticed.

Off the back of the pandemic, operators are struggling with persistently high fuel prices, inflation, unfairly high motorway tolls, the impact of natural disasters, a disrupted global supply chain and a chronic shortage of drivers and mechanics. Reforms to the national truck laws have taken far too long, and with the heavy-handed nature of enforcement for even minor breaches of those laws, it is no real surprise that drivers are deserting the industry. The industry is a small- and family-business industry. Well over 90 per cent of trucking operators are small businesses and over half of all operators are owner-drivers.

Madam Chair, the cost burden on heavy vehicle operators in New South Wales is massive and, where contracts allow, is being passed on to their customers. Whilst our submission to the inquiry made a number of comments across a range of issues, I'll just touch on rest areas now. NatRoad strongly welcomes the commitment by the New South Wales Government for a new rest area in Western Sydney and the strong engagement with industry by Transport for NSW in scoping out that project. Whilst the historic undersupply of rest areas generally and the complete lack of them in Sydney will not be fixed by a single new rest area, the project is a vital step in the right direction.

In conclusion, almost everything you see, touch or buy has been freighted on a truck at some stage. Trucks carried the nation at the height of the pandemic and the heavy vehicle sector came to the fore as an essential industry. There are many economic and social pressures on truck drivers. I won't pretend that most of them aren't national or even global. The bottom line is that New South Wales is where the largest sector of the road freight task occurs and where the most operators are based. The State should adopt a leadership position and drive regulatory and economic reform to help our industry remain viable and to reduce the pressures on our essential drivers.

The Hon. MARK BANASIAK: I might just pick up on your opening statement, Mr Marks, talking about operators leaving the industry or the market. Can you just elaborate a bit more in terms of how that's placing further pressure on the other operators, if it is at all?

SAMUEL MARKS: We notice a definite trend in terms of our own membership, in terms of those that sign up and those that leave and in terms of a consistent and sort of a higher percentage at the moment of those

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that are leaving. When you look at some highly publicised examples, there is, I guess, a knock-on effect when it happens unexpectedly in terms of contracts that need to be met, people whose employment is impacted. Essentially I would say it's similar in a sense to other industries when a business goes out of business unexpectedly.

The Hon. MARK BANASIAK: Mr Hill, I'm a recent subscriber to Austroads; I find it very interesting. We have had evidence from Mr Hannifey and others that a lot of the rest areas and even some of the road construction don't adhere to Austroads guidelines or standards. Given that all the States are signed up to this, can you explain to us how we have roads being built and rest areas being built that don't adhere to your standards or guidelines?

GAVIN HILL: I will start by saying Austroads is the association of Australia's road and transport agencies, and New Zealand and local governments as well. So our role is to facilitate guidance, research and directions on behalf of our members. We have no authority or jurisdiction over how those guidelines are utilised by our members, but they do represent best practice guidance for our members.

The Hon. MARK BANASIAK: So if they are best practice, in your view why aren't State governments and Federal governments following them in their road construction and their heavy vehicle construction? Mr Hannifey talked about not even having basic signage at the right angle. It seems a bit of a schoolboy error for a transport department to not get that right. Obviously there is no-one else in the field that's providing this guide. Am I right in saying that? You're the only, I guess, national—

GAVIN HILL: In terms of an association, yes, for road agencies and transport agencies.

The Hon. MARK BANASIAK: One would hope that your advice is well respected. I am just curious as to why it's not being adhered to at a State level.

GAVIN HILL: I can't speak on behalf of our members. It's really a question that is best directed to, in this case, Transport for NSW and other agencies in Australia.

The Hon. MARK BANASIAK: Would you like to see your guidelines perhaps have some more weight put to them or that maybe it is some sort of binding arrangement?

GAVIN HILL: I think that is the aspiration. The work that Austroads does—and Mr Davies can speak further on this—as I said, represents best practice. It brings together a body of knowledge and perspectives from a range of stakeholders. That's one of the roles that Austroads performs. With that in mind, it is highly desirable if the efforts of a range of stakeholders who Austroads brings together can derive improved outcomes. It's certainly a strong aspiration that we should all hold.

The Hon. MARK BANASIAK: Mr Davies, just picking up on that, do you think the guidelines that you guys produce should be bound up in some way or made mandatory in some way, given that it comes from a broad range of expertise and all the States have essentially signed up to it? It seems to be a bit loose in terms of adherence.

PAUL DAVIES: Yes, certainly, broader use of the guidelines is desirable because they have been developed to recognise the challenges that are faced by drivers in complying with the regulatory obligations and managing their fatigue. The guidelines are actually an update from earlier guidance material produced by the National Transport Commission, and we are in the process right now of updating them again further to recognise the needs that are specified in the current heavy vehicle rest area guidelines not sufficiently broad enough. It's a complicated space. There are a lot of constraints in the design of suitable heavy vehicle rest areas, and they are guidelines rather than a standard, for that sense. Each site does have its own characteristics and challenges that need to be managed. The guideline seeks to raise for road managers the issues that they should consider when designing heavy vehicle rest areas and spacing heavy vehicle rest areas across the network.

The Hon. MARK BANASIAK: More broadly speaking, not necessarily just talking about heavy vehicle rest areas but just road construction in general, has there been any work done in terms of implications of roads being built that don't adhere to these guidelines and what impact that potentially has on insurance or investigations where deaths are involved and in terms of liability when roads have been constructed that don't necessarily adhere to your guidelines? Has any work been done from anybody, to your knowledge?

PAUL DAVIES: Not to my knowledge. We are not leading work in that space. These guidelines do recognise that the network is a complicated thing, and they don't seek to set the strategy for heavy-vehicle rest area rollout but to recognise that that is a desirable outcome for road managers to do that. But I can't speak to any work on the implications of insufficient provision of rest areas.

The Hon. Dr SARAH KAINE: Mr Marks, could I ask you a question? You mentioned Western Sydney, in particular. We have heard this morning a bit about issues in regions and on major highways. Could you talk a

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bit more about particular issues with rest areas, or the lack thereof, in Western Sydney and what are some of the barriers currently?

SAMUEL MARKS: Yes, definitely. Thank you for the question. From a fatigue management point of view, as opposed to just a simple truck parking or refuelling point of view, there's essentially nothing between Pheasants Nest in the south and Wyong in the north. There is a very big lack of places where a driver can pull up to manage their fatigue in Sydney—Western Sydney, in particular, but I would say the whole city. We see a situation—and perhaps it is due to the cost of land or the planning instruments historically—where there is not a good provision, particularly in Sydney but across the nation, in terms of rest areas in urban areas.

Often, governments historically—and I'm not picking on anyone in particular here—have seen rest areas as a regional thing, something that is on a freight route. But the truck may arrive in Sydney before its allotted time. Drivers have quite prescriptive fatigue rules that they have to meet, and that requires somewhere where they can pull over. It's also about the design and the nature of the facility. It needs to be an area that has the right sort of lighting or shade, depending on the time of day; security; and quietness, essentially. You need to have an area where the long-distance trucks can park and catch up on some good quality sleep, if that's what they need to manage their fatigue.

The Hon. Dr SARAH KAINE: Currently are there issues with local trucks using facilities? Are there congestion issues? What happens now?

SAMUEL MARKS: That's essentially the nature of what happens to the existing capacity in terms of, if you look at an existing service station, the limited parking that might be adjacent to those in Sydney. We do hear reports from our members around the inability to find a spot in those situations. Essentially, there's a parking issue and a local truck parking issue, and there's a longer distance fatigue management issue, which is a very high priority for our members.

The Hon. Dr SARAH KAINE: Could you explain a little further, because I'm not sure I'm completely across it, how that works in terms of allotted times and waiting? How might that impact particularly on long-distance drivers and why does that mean they require those services?

SAMUEL MARKS: It depends on the nature of the freight task, whether the fatigue rules apply to you, whether you're in—there are certain accreditation schemes and various variations on the rules. But at a simple level, there are allotments around how long you can drive for and when you need to park your truck and take a rest, like a 15-minute break. There is a logbook. If you breach by even just a couple of minutes, there are penalties that apply to that. One of the frustrations we hear from drivers is when they cannot stop because there's physically nowhere to stop, and then they're facing a fine because they've missed their allotted window.

The other aspect, coming into a city like Sydney, is it may be about arriving at whatever time they're arriving because of the distance they've travelled. The customer site, especially if they don't have a depot for themselves in Sydney, may not be open or may not give them an allotted slot until a particular time, so there's a gap that needs to be filled there. It's a prescriptive regulation aspect, and it's also a scheduling aspect in terms of where they're going.

The Hon. Dr SARAH KAINE: What obligations are there on those customers or clients to make sure that a driver is accepted at an allocated time?

SAMUEL MARKS: There are laws like the Heavy Vehicle National Law and chain of responsibility that go to things like you can't have a scheduling impact that's going to essentially have a safety risk. The site may not open until 6.00 a.m. and the truck may arrive at 4.00 a.m., and there's a gap there that needs to be filled.

The Hon. Dr SARAH KAINE: Mr Davies, you were talking about Austroads, which represents different organisations and different departments around the country. Please excuse my ignorance, but could you describe again the jurisdictional issues? I know that there's a Federal program around rest stops, and I know that there's different involvement. Could you explain a bit about the jurisdictional issues? You also said it's very complex, but for me it doesn't seem complex. If we need a rest stop, we should have a rest stop. I just wondered how that jurisdictional complexity does work.

PAUL DAVIES: In terms of obligation to provide the rest stop, that's fairly clearly with particular road managers, one way or another. But there are perhaps not jurisdictional complexities so much as remote area complexities and urban area complexities and things like that. Sites can vary considerably and the nature of what you're trying to best manage in designing the site can vary considerably, depending on the level of freight movement and, as Samuel has mentioned, the requirements to comply with fatigue management regulations. Those can all be key factors in the placement.

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In terms of the design, the type of freight being moved can affect the design requirements of the heavy vehicle rest areas. Some types of freight have additional requirements such as livestock. You have animal welfare issues. Refrigerated freight is noisy or dangerous goods are required to be separated from other vehicles. So there are quite a few complexity factors that depend on the nature of the freight route, the nature of the area around it and then, of course, the surrounding rest areas and what's available nearby, either as an alternative or as suitable alternatives for the larger vehicles, as Samuel said.

The Hon. SAM FARRAWAY: I have a question for Mr Marks. In representing so many operators and as a national body, do you support the case for a competency-based driver training program, one where New South Wales could take the lead? I wasn't here for the earlier session, but I suspect Paul Pulver and others who have been pushing this for some time—and we will hear from other operators—really want to push for this into the future to gain the next generation of drivers and people interested in the industry. But from NatRoad's perspective, do you support something like that?

SAMUEL MARKS: Yes is the short answer. The position that I believe we put to Austroads last year was essentially arguing for a competency-based program.

The Hon. SAM FARRAWAY: There was once a trial in Victoria, from memory, and I don't know whether it was overly successful, so how you implement this is important. From your perspective and from your members' perspective, how much buy-in do you think there is from industry and your operators to try to ensure some form of competency-based driver training, especially for young drivers and having that reassurance for the community?

SAMUEL MARKS: It's a consistent piece of feedback. As an operator, there is a broader skills shortage issue, but when you hire someone, you want to be able to know that that heavy vehicle licence means that they can actually drive your truck and that they have the experience to drive the truck and do the various skill sets that are needed with that, and it's not just the case that they have the licence because it has been sitting in the bottom of a drawer for long enough to qualify to be upgraded to a higher class. So it's a consistent piece of feedback. Our members have given it a lot of support.

The Hon. SAM FARRAWAY: How do you think it could be implemented with the new technology that's available? We hear from lots of different operators, and I've been to visit a lot of them in my former role. Do you think that the perception has changed in the industry where, if you have a competency-based driver training program, we could possibly put younger drivers in the newest truck with the most tech and safety features to ensure that there is compliance but that they have every bit of gear and kit available to them to be as safe as possible whilst becoming competent?

SAMUEL MARKS: I think that's not an unreasonable statement. It's a diverse industry. There are diverse views around technology and kit and the like, but a lot of operators and a lot of leading operators are installing them in their vehicles already. So where that can be done in conjunction to bring new and younger drivers into the industry, there's a positive outcome there.

The Hon. SAM FARRAWAY: Changing tack a little bit, with rest stops—and I suspect it has come up a lot this morning already while I haven't been here—firstly, how does New South Wales stack up compared to other States from your operators' and association's point of view?

SAMUEL MARKS: One of the problems in this space is a data issue in terms of knowing where the problems are. We'll get feedback offhand about a particular route and particular problems on that, but one of the policy questions that goes to your question is that there is a separate piece of work underway around national service level standards for roads. If those were implemented and if there is a metric on rest areas, then we would be able to, from an association point of view as well as a government point of view, quickly identify where the gaps are and move funding in this space to more of a proactive, fill-the-gaps process, rather than just reacting to whichever local council is best organised to put a funding application in. That doesn't really answer your question, but there is a data issue that needs to be sorted there.

The Hon. SAM FARRAWAY: One of the challenges I remember in my former role was we need more truck rest stops, we need more stopping bays, but when you build new infrastructure, there was always that challenge around everyone wanted them but no-one really wanted them, in the sense of not in my backyard. We found that on a lot of different road corridors. Do you think there is a greater role in trying to educate the community more broadly that rest stops are a part of a truck driver's workplace and how critical they are, no matter where they need to be put? Do you think there's something for industry to maybe support all levels of government with that message?

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SAMUEL MARKS: That's, again, another good question. More education is not usually a bad thing. In terms of having that public acceptance and buy-in, we did see through the pandemic a better understanding of how essential truck drivers and their workplaces are. So there is certainly something to leverage there.

The Hon. SAM FARRAWAY: Changing tack a little bit—the fuel excise. I declare that my brother is in trucking, and I was before to a degree before I was an MP. In particular for owner-operators, I suppose—and we're talking about the pressures on drivers, but obviously if the drivers are also the owners and operators as well—what sort of financial pressure do you think it put on the industry, especially owner-operators, when the fuel excise was tweaked and adjusted by the Federal Government, which didn't allow trucking operators, to my knowledge, to be able claim some of that diesel rebate for a period of time? What sort of pressure did that put on owner-operators in a time of a cost-of-living crisis and in a time of escalating costs everywhere else?

SAMUEL MARKS: Yes, that is a really good question. The cost pressures on the industry have been massive. We have commissioned some research, and from 2015-16 the average operating cost of a B-double doing 250 kilometres per year was around \$532,000. But once you get to 2021-22, that was \$670,000, and a lot of that was driven by petrol prices. The fuel excise, which is rising in tandem with the registration cost as well, that's 6 per cent every year for three consecutive years. The temporary withdrawal of fuel tax credits at the Federal level was also quite an impact in terms of how it's affected businesses and the way they manage their cash flows. So fuel tax credits are quite important, especially for smaller businesses and owner-drivers in that sense.

When it comes to the cost pressures, you've got fuel prices, you've got fuel excise, you've got labour costs, vehicle costs—you've got all these costs. You've got the coming challenge of decarbonisation, which is going to involve more costs to make that happen. With all these costs coming in, we know our businesses tend to not be able to pass on cost increases more than CPI. That's where they have a customer that they can negotiate that increase with. So it has a huge impact, and it's the domino effect of having all of these cost increases all coming together that really comes back to bite.

The Hon. SAM FARRAWAY: With the daily life of a truck driver and the pressures obviously on them in that workplace, would you agree that one of the greatest efficiencies would be finding productivity and a safe workplace, or better roads and infrastructure? Do you believe that State and Federal governments are keeping pace with the movement and future prediction of movement of freight in New South Wales? I'm talking about the ability to be able to get freight from paddock to port or paddock to plate and using our State and national highway system. Do you think that we're keeping pace with our forward planning to make these roads safer for the heavy vehicle industry that will obviously allow for the increased movement of freight more generally over the next 10 or 20 years?

SAMUEL MARKS: I would say New South Wales has been one of the better States. To reach into the bureaucracy, a simple thing like the *NSW Heavy Vehicle Access Policy Framework* drives an attitude across Transport for NSW and government agencies to focus on that productivity question. That has been quite encouraging from New South Wales. More recently, New South Wales is leading the national efforts to have an access framework applied nationally. That has been good. There is an historic situation where I don't think governments have kept up with that productivity push in terms of maximising what is achievable. The more productive a truck tends to be, the more layers of red tape it generally has to go through. Reforms to access as well as having the infrastructure provided isn't always connected. We have duplicated highways—the Hume or the Pacific—and they don't necessarily have the best access provisions. Sometimes it's because one particular bridge wasn't upgraded when the corridor was. Having that joined-up mindset that connects the infrastructure investment to the productivity outcome and making sure that follows through to access approvals is important.

The Hon. SAM FARRAWAY: Does your organisation, on behalf of your members, have a particular view on any particular State roads or highways that are really doing a disservice to the road freight sector and the infrastructure itself? I declare that I live in the Central West. We have the Great Western Highway. To be frank, it's becoming totally unsafe for heavy vehicle movement over Mount Victoria. Are there any particular highways—or is that possibly a highway—that your members identify where it only requires the smallest amount of disruption to create significant issues, not only for the trucking company but also the safety aspect, but just in general to the movement of freight and then the pressure that is put on operators or drivers in that industry?

SAMUEL MARKS: Look, I'm hesitant to pick on a particular highway, but I think I would make the—

The Hon. SAM FARRAWAY: I'm not! Just joking.

SAMUEL MARKS: —generic point that on my last trip at a personal level to Dubbo, for example, there was a very big pothole that was really unsafe, essentially, around a corner of a 100-kilometre road. The maintenance side of things is quite critical. I guess the broader policy point from that, from our point of view, is ensuring that the infrastructure spend is focused on road maintenance, the life cycle of the assets and making

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sure that governments aren't just building shiny brand-new motorways in Sydney—as important as those projects can be—but making sure that we are maintaining our road network and ensuring those regional highways are up to scratch. There is definitely a productivity impact if the road deteriorates to a point that the access conditions then start to get wound back. That has a big impact.

The Hon. Dr SARAH KAINE: This question comes from your organisation's submission, Mr Marks, but I welcome Austroads adding anything. We have heard quite a lot today about the issue of labour supply in trucking. In your submission you note that female-unfriendly rest areas contribute to the undersupply and the continuing low female representation in truck driving. What are the recommendations or changes that you think—you can talk about rest areas, but I'm happy for you to be a bit more expansive generally about the sector and how it might attract women. It needs workers, so you're missing out on a big pool there.

SAMUEL MARKS: Thank you for that. You've touched on an important issue. Actually, there was a report yesterday at the Federal level, a Jobs and Skills Australia report, that goes to this issue as well. One of the findings was essentially that the industries or the occupations with the largest gender imbalance tend to also be ones that are in significant shortage. It is a thing that is in our submission. The consistent piece of feedback around that rest areas question—rest areas that are safe, that are clean and that people can use—is quite big. I would expand that to also talk about the security of those places as well, making sure that they are safe. There are broader questions then around where there are abilities to perhaps make the occupation more family friendly, in a sense, with better hours and more diversity in that sense, with new technologies as they come in and as the urban freight task is growing quite strong.

There is a lot of growth opportunity in roles where you may be able to go home at night. I think that is also a part of it. There is also a communication element too. Truck driving is not just blue-singlet, long-distance type work; it is a profession. Drivers are doing more than driving. There is load restraints, they are making sure the vehicles are safe and they are making sure the vehicles are working. There is a whole bunch of occupations that support them—you know, schedule, office functions. There is a broad, diverse professional industry there, and we could do better at communicating that. From a government point of view, making sure the skills and the training and all of those right supports are in place—that has been quite slow work over many years as well.

The Hon. JACQUI MUNRO: Can I just ask a follow-on from that. We have heard a lot about the green reflector off-road bays. Do you think those are an appropriate mechanism to provide some extra rest stops? I believe they are used in other States a little more substantially than they are in New South Wales. Is that something you have been looking at from a national perspective, and what would your comment be on their use in New South Wales?

SAMUEL MARKS: I always go to the Austroads guidelines on that. It has been a little bit since I have read them, but if my memory is right the Austroads guidelines set out the different classifications of rest areas and the different frequency of intervals and the like. So those informal rest stops can be part of that broader picture, and they play an important role—and Mr Hannifey has been a great advocate for that. But that is not an excuse not to go and install better rest areas on those routes as well—you know, looking at what is the frequency of the stops and the provisions in that sense.

The Hon. Dr SARAH KAINE: This is a bit different from those last two questions. We had several submissions which spoke about not just training but, in particular, the licensing of international drivers. I think I recall in one of the submissions, but I haven't fact-checked it, that there might have been a change to how quickly we allow drivers from New Zealand to come in and be licensed for heavy vehicles—I am not sure which classes, but for heavy vehicles—and I think there were some other submissions talking about the ease of international drivers gaining qualifications, and the issues that has in regards to understanding the road rules, the road culture et cetera. I wondered if you had any views on that.

SAMUEL MARKS: I mean, we certainly think there should be reform in that space, and I believe Austroads is looking at that. I might defer to them to talk about it because the extent of what I can say is to acknowledge the need for reform, but I can't talk to what that process is.

The Hon. Dr SARAH KAINE: Mr Davies, could I just ask for a response from Austroads?

PAUL DAVIES: Sure. Yes, Australia does recognise certain overseas driver licences at different classes, and we have mutual recognition in that regard. I think, in broad terms—and Mr Marks has alluded to this—we recognise that heavy vehicle driver training in Australia is currently insufficient, broadly speaking, not only for overseas driver licence holders but also for those who progress through the rankings in Australia as well. The work we are doing in the National Heavy Vehicle Driver Competency Framework is designed to very much recognise experience as the primary pathway to move through heavy vehicle driver licence classes.

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To the earlier question, if I may address that as well, from Dr Kaine around gender balance in the industry—I will speak specifically to drivers but acknowledging Mr Marks' point around other roles in the industry—our heavy vehicle rest area guidelines update will be considering culture and gender diversity requirements for heavy vehicle rest areas. The heavy vehicle driver licensing pathways that we have under consideration under the framework are also looking at expedited advancement through the licence classes based on demonstrated experience rather than elapsed time, as is currently the case. We see that as a potential opportunity for people who haven't been in the industry before to be able to enter it quite quickly and safely and get to driving larger vehicles and building a career in the industry, without having to wait the three or four years it could take under current arrangements.

The Hon. JACQUI MUNRO: I have a question to either Mr Davies or Mr Hill about the use of data. I note that in the submission you spoke about the national framework, and that Transport for NSW is already working with data that is gathered through the national framework. You spoke about some further actions that Transport for NSW could take to use that data better. Could you please elaborate on that?

GAVIN HILL: Thanks for that question. Just to elaborate on what you were describing, TCA, through the National Telematics Framework, collects data from vehicles. Those data are collected under a transparent consent arrangement with transport operators and, for that matter, drivers. That enables TCA to perform a very important role on behalf of its members. That includes Transport for NSW, but also other road and transport agencies across Australasia. One of the things we do—it goes to some of the statements already made by Mr Marks and Mr Davies around the lack of data. One of the things we can derive from vehicle movement data at an aggregate level across a population of vehicles is the utilisation of road networks—the times and the days of the week in which they are travelling on the networks. But, critically, we can also determine where vehicles are resting or the drivers are resting based on where vehicles are stopping.

Some of that data has been put to very good use here in New South Wales. I understand anecdotally that some of the reporting that we have provided to our colleagues in Transport for NSW has helped inform decisions around the optimal placement of rest areas. What is also noteworthy is that, through the National Freight Data Hub, TCA played a key role in providing data into that national initiative. If you take a look at that particular website, there are some very interesting visuals that represent the density of utilisation of rest area locations. I think this data-driven approach is a key enabler for some of the challenges we face, particularly in urban areas. As Mr Marks pointed out, there is a deficiency based on urban development patterns and so forth in Greater Sydney around rest areas.

Some of the work we have done with Road Freight NSW and with Mr O'Hara, and also with Transport for NSW, where we were looking at dangerous goods vehicle movements, identified there was a paucity of where vehicles can stop for a rest. That is amplified when you have got dangerous goods vehicles, as Mr Marks and Mr Davies pointed out earlier. They operate under very stringent operating conditions. Besides finding a place to stop and take a break, they also have the overlay of other restrictions around dangerous goods and the movement of those particular types of produce.

To answer your question, I think what we are doing with Australia's road agencies is valuable. The ways in which we collect data is driving—we believe we are driving improved outcomes with our members. Can I also say, in terms of global comparisons, there is an example in the United States through an association that does something similar—outside of government, but with its members through an industry-based arrangement. They do similar things in harvesting data from a population of vehicles. I think in Australia we are unique in the sense that we are amongst the first to be doing this in a collegiate way between transport operators, the technology sector and government. I think that is worth pointing out.

The Hon. MARK BUTTIGIEG: Could I just bring you back to some of the evidence that was put on this morning by the Transport Workers Union, which is essentially that you can do all of these things around the edges but it's a structural issue in regards to monopolistic behaviour at the top end of the supply chain with massive providers like Amazon, Apple, Aldi, all the rest of it, and then down the chain the pressure becomes increasingly great to cut corners and compete on cost and safety, and that's essentially what's driving it. So you need two solutions. You need a regulatory approach with teeth that enforces safety but you also need some economic regulation as well because there's just not the resource to enforce safety and those two twin things. I want to get your view on whether or not you agree with that analysis and, if so, what the solution is to tackle it in terms of enforcing or bringing in legislation to effect those sorts of things. It seems to me as though a lot of this stuff is structural. It was powerful evidence that was put on this morning. As you know, that union has been campaigning for quite a while on those issues. I just want to get your view on it.

GAVIN HILL: Some of those issues are complex and they are multifaceted. From an Austroads point of view we can't offer a perspective on that. What we can offer, though, is that we are contributing to the review

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of the heavy vehicle national law that is underway and it is being led on behalf of Australia's transport Ministers with the National Transport Commission. That goes to the heart of some of the issues around regulation and compliance. We're directly in conversations with a whole raft of policy reforms. As a membership-based organisation on behalf of Australia's and New Zealand's roads and transport agencies, we don't offer a view on the economic perspectives but what we can say is that these issues are multifaceted and they are complex.

The CHAIR: We are actually out of time for this session. Thank you very much for appearing today and we will be in touch with you if there are any supplementary questions for you.

(The witnesses withdrew.)

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Mr TREVOR WARNER, Long Distance Truck Driver, sworn and examined

The CHAIR: Do you have a short opening statement to make, Mr Warner?

TREVOR WARNER: I do. After everything I've listened to this morning, it has just got my head spinning. From a driver's perspective through to the State and Commonwealth level, there are so many overlapping things but to try to narrow it down to issues that the State of New South Wales can actually impact, it pretty well comes down to the state of the roads, the law enforcement and probably rest areas is the biggest one. I've been coming in and out of Sydney now for 16 years and we've slowly seen the decline of infrastructure availability in the previous 10 years. It's quite concerning what the next 10 years is going to deliver. I think if the gears start to move in the next two years, come 10 years' time we should be able to manage the extra freight task and the growth of the population.

The Hon. Dr SARAH KAINE: Thank you very much, Mr Warner, for being here and for your submission. I did ask a question of the previous witness, but I wonder if I could also ask you. I know you talk about just-in-time freight and what that means in terms of allocated delivery times and on-demand freight et cetera. I wonder if you could just talk us through a bit about what that experience is like as a driver, what some of the dangers are in that space with regard to missing times and what that means for the facilities that are required.

TREVOR WARNER: Sure. Probably the biggest eye-opener for me was about 10 years ago. We were running fresh produce into Flemington markets, and the deal was you got in about midnight, you unloaded, you went to bed, and then you waited for a text message or an email the next morning with your next lot of instructions. I got my instructions at about 10 o'clock in the morning. I went around to the warehouse to load. I knew I was going back to Queensland, but I had no idea of what freight I was loading and my delivery times or anything. It was just, "Be here to load." Once the truck was loaded, then it was all dumped on you, "This has got to be at Woolies at six o'clock in the morning." You go, "Hang on, 10 o'clock in the morning, six o'clock—that's 20 hours, and I've got to have a seven-hour break in amongst all of that." And this was for a national carrier.

When I complained about it, they just said, "What do you want us to do?" It's left up to the driver to then work out how they're going to manage that particular thing. It doesn't matter whether you're going south as well or Adelaide—it's exactly the same. Quite often the loads that we pick up with the just-in-time, it's a warehousing issue where they might schedule those loads to pick up at, say, 6.00 in the morning and deliver six o'clock the next day, and that might be in place for two weeks or even a week. The transport is not even in town. We haven't even unloaded from our southbound trip. We get the instructions; the big companies come in and they tender for the work. They lock up the freight, so the little guy gets pushed out, and then all of a sudden the big companies don't have the trucks. So they call in people like ourselves that were empty in Sydney. We've just brought fresh food into the markets. We need a trip back.

Over the years, the freight rate just keeps getting screwed down and down and down, but you can't afford to sit around, so you've got to move. We are getting told what to do, and, as soon as you complain, all of a sudden you are problematic. Typically, if you say, "I can't do that load," at lunchtime, say, today, if my boss can't get another load today, I've got to sit until tomorrow and we don't get paid for that. The truck doesn't move, and the drivers don't get paid any wages. So there's a financial motivation there to do whatever you need to do to get that load done, and my fear is that the new entrants coming into the game are going to be poisoned by that type of environment. They might be able to drive the truck, and they might be competent—and I've got a couple of examples of this over the time where these guys love trucking and they love doing the work, but they were poisoned by the execution of the job, and they left the industry.

The Hon. Dr SARAH KAINE: What I am hearing from your evidence is the key issue—of course, it's important to have appropriate rest stops, but the key issue about whether a driver is going to use those stops is actually the type of pressure they're under to deliver at a particular time.

TREVOR WARNER: Yes, that's right. I've got a load tonight. When I started doing work for this company, it was 11 hours from Sydney to Brisbane markets. Being new in the industry, I didn't want to rock the boat. I didn't want to be a troublemaker, and I said, "Yes, no worries. It will be there." I have never missed market yet. I've never missed a load, a delivery time. But, as you mature in this industry, you get to the point where you go, "No, I'm not going to be there in 11 hours. I'm going to be there in 14 hours, so you need to start making arrangements now that I'm going to be there in 14 hours." And it's happening. But the young people coming in, they haven't got that courage. They want to be a team player, and they're really being thrown under the bus—or the truck.

The Hon. MARK BUTTIGIEG: This is a by-product of what we were talking about before, isn't it? It's unequal power.

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TREVOR WARNER: Absolutely, yes. But even the small companies—it goes from the big companies all the way down to the small companies, because everyone is getting screwed down on the rate. If we go back to the *60 Minutes* program with Paul Barry, I think, it's exactly the same thing. The only thing that's changed is the Government has now mandated that we've got to have a seven-hour break, but we've still got schedulers expecting you to do deliveries in that seven-hour break. So the 20-hour day is still alive and well and, unless the drivers have got the courage to say, "No, I'm not doing that"—

The Hon. MARK BUTTIGIEG: But that's the problem, isn't it? It's left up to the drivers to say, "I'm taking the seven-hour break", and obviously part of your competitive edge is to not take the seven-hour break, right? Unless it's enforced above you, it's not going to work.

TREVOR WARNER: Yes, that's right. I've done that because I've got to my destination and, if I pull up outside of town and have my seven hours, I hit peak-hour traffic and it all just goes south from there. So you go into where you need to be, and hopefully you can get a park at a truck stop. Sydney is absolutely atrocious; I've got a few little hidey-holes around the streets that I'll go and sit in. I might just have to go around the corner back onto the dock, and that's it—my job is done. The risk is minimal, but the work task doesn't fit the work diary. There is no risk there because you're only going around the street, and you're not tired, typically.

So the freight task doesn't fit into the rules, and this is where the TWU is saying, "Well, you've got to bend the rules to do the job", and then hopefully at the end of it we get paid to do that. At the moment I'm on kilometre rate, so I only get paid from Brisbane to Sydney for this trip. I might have spent three hours getting loaded up at the other end and three hours getting loaded down here. That works out at maybe a 17- or 17½-hour day, and that's typical. I've been doing that for 16 years.

The Hon. Dr SARAH KAINE: And you're not paid waiting time?

TREVOR WARNER: No. I actually put a submission in in 2020, roughly, to the Fair Work Commission challenging the kilometre rate—that there needs to be the kilometre rate and loading and unloading time. Of course, all the big associations came in and said, "No, all that's in the kilometre rate". We do 17-hour days. We might only be driving for 14 hours or 12 hours, but we'll do a 17-hour day and we only get our 1,000 kilometres by 50¢, or I think it's 53¢ now. You don't get paid waiting time.

The Hon. Dr SARAH KAINE: I'm sure there are other topics to get onto but, before that, what are your recommendations? That's one of them—that waiting time is paid separately. What other suggestions do you have to address this bigger issue?

TREVOR WARNER: It's really difficult because the way chain of responsibility has gone, we've now got these workplace ecosystems that are all protecting themselves, and the truck driver or the transport company is in the middle trying to balance all this out. The trucking company can't have a truck sit for half a day or a day just because the times don't work. They'll claim that they'll give you a two-hour window but, once you get on the dock, if they've got staffing problems—like, I've sat at Woolies out here for nine hours waiting to get unloaded. How do you manage that? You turn your phone off and try to get as much sleep as you can, but the new drivers coming in haven't worked that out yet. My fear is that the new drivers are wide awake, trying to do the best they can for their boss, but they're actually being thrown under the bus by the system and the strict chain of responsibility programs or laws that are being put in place. So it's a real tough one.

The Hon. Dr SARAH KAINE: You've spoken a few times about newer drivers coming in, and one of the themes today has been both attracting drivers but also the type of training as well. Do you have any reflections on that? I know in your submission you talked about problems attracting drivers or putting off drivers. In terms of that attraction, but also training, do you have any thoughts there?

TREVOR WARNER: Yes. When I first started, I did local work, and then I slowly moved up through the bigger trucks into the semitrailers and then into the B-doubles. We got on-the-job training, and you learnt by your mistakes. One of the big things that my first boss said to me was "Put a glass on your dash and, if that glass slides, you're going too fast around the corners". I always tell the new drivers that, because we have rollovers. The young ones don't understand that you've got 30 tonnes of freight, 65 tonnes of vehicle. You can't take corners like you can in a Commodore or something like that. So one of the issues that I have with training is these one-day courses. You can go from a heavy rigid—say a concrete agitator—into a B-double or a road train in one course. It's just tick and flick—"This guy can go around the block all right. He can change gears okay." What about emergency breaking? What about overheating your brakes going down a hill? How can you learn that stuff when you're doing your driving course out in Dubbo or West Wyalong?

The Hon. MARK BUTTIGIEG: What would be the typical provider for a course like that?

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TREVOR WARNER: All the registered training organisations that provide heavy vehicle transport. I've heard some shocking stories where it's basically that old mate has sat on the side of the road and the trainee has done laps of a car park. Old mate is on Facebook. He don't care. As long as the guy ticks the boxes, there he is. He's in a B-double the next night.

The Hon. MARK BUTTIGIEG: How much would you pay for a course like that?

TREVOR WARNER: I've seen figures from \$800 through to \$1,500. A friend of mine is a driver trainer. He has the same attitude as me. It's just too easy to get a B-double licence. I think a B-double is easier to handle than a single, myself. You can easily overheat your brakes in a single. I don't think there's enough emphasis put on competency rather than throughput of trainees.

The Hon. SAM FARRAWAY: Just to follow on around the competency-based driving, there has been a lot of talk of that, and there are a lot of larger freight operators that really do want to encourage that. But from what you're saying and from your extensive experience—and thank you for appearing today, Mr Warner—it needs to be a far longer-term proposition, doesn't it? If you're going to take especially young kids out of school and show them a pathway in trucking, which does have a bright future—we can't survive in this country or economy without our truckies—how many years should it be? If you're taking a young kid from a light rigid to an MR to an HR to a combination licence, is it a two-year competency-based course? In your view, with your experience, what should it be?

TREVOR WARNER: Everyone is different. I started in small ridges doing pick-ups of fresh produce off farms. It was probably two years before the boss said, "It's about time you go and get your semi-trailer licence." Then we'd start doing market runs. They don't have to be young; they can be middle-aged people that are retraining. But they just haven't got the bit of string between the right foot and right ear to say, "Hey, you need to lift your foot off the accelerator", or "You've been riding that brake for too long." It's a tough one. I think driver training needs to be more stringent, and it depends on who you work for too. A friend of mine, Jason, is the driver trainer, and he's very particular about passing the students. He'll say, "No, I don't think you're ready yet. You need to come back. You're riding your brake too much. You're not using your gears. You're not using the tools that you've got to save your brakes, so if you do need those brakes, they're there."

The age varies and also the attitude of the drivers. We're under so much pressure, particularly with market or supermarket deliveries and everything. They've got everything worked out, and then they dump it all on the driver. Then the driver has to have the nous and the competence to be able to work out what he has to do. New people in the industry—I don't think they can handle the pressure. If they've come from a farming background where they've worked on farming gear and maybe drove the farm truck, they've got a far better chance of putting the pieces in place than someone that's retraining at, whether it's 40—I've seen shocking drivers at 50 years old. It's just flat to the floor—go as hard as you can. And you're just going, "Why?" They haven't worked it out yet.

The Hon. SAM FARRAWAY: I wanted to move on. In some of your opening remarks, you spoke about roads in general and rest stops. With rest stops, I think there's a consensus that a lot more needs to be done from State and Federal perspectives, and it has been some time to have that done. On the Pacific Highway, you would agree with me, possibly, that that highway, for heavy vehicle operators, is a far superior piece of road now to what it was maybe when you first got into the industry. But there isn't an overall solution for rest stops on that highway, considering the increase and movement of freight by road. What would be some suggestions or solutions from your real, everyday experience travelling the Pacific Highway of where additional rest stops should be or existing rest stops should be upgraded?

TREVOR WARNER: I think the Pacific Highway is probably an outstanding example of what can be done. I think they can be bigger, like the rest area at Clybucca. It's a good facility but it's really only designed for single trailers. You might get there in the middle of the day and it looks like there's plenty of room, but when you get there at 11 o'clock at night, it's like, where can I park? It's full. As we move into bigger combinations, if a driver needs to stop, it's really difficult to find a place. I see rest area design really hasn't got past a single semitrailer. I'd like to see, as I think I said in my submission, the Bundjalung rest area, north of the Clarence River. It's part of the old highway—they kept it in place. They put some picnic tables and toilets there and the new four lanes went around. That's the ideal model. Arrawarra too, just north of Coffs Harbour. That's a good plan. There's plenty of room, you can get right away from the noise, and it didn't cost the Government much at all—just a few toilets and tables.

The Hon. SAM FARRAWAY: With your experience, to remove pressures in the supply chain and on the industry, do you think we should be going to larger combinations set-ups, larger trailers, excluding the rest stop issue, which obviously is an issue. If you've got larger combinations and larger heavies and trucks on the road, they need to be able to park and they're larger. But from a pressure point of view on the industry, do you

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think going to larger trailers, larger loads is one way to remove pressure on the road network in the supply chain longer term?

TREVOR WARNER: With the longer combinations, the new 30-metre PBS—we call them pocket road trains, but 30 metres through to 36—it's really difficult to have parking areas for those. The issue that I have with them is that you've got drivers who are struggling to handle a B-double and now you're putting them in another vehicle with the same prime mover, similar braking capacity and less areas to pull over and have a rest break and clear your head. It really concerns me that we're getting bigger and bigger trucks but the infrastructure isn't expanding at the same pace to be able to deal with those things. The Clybucca rest area, for example, needs to be at least twice as long, if not three times as long, to be able to handle these bigger combinations. It scares me to see these newer drivers who are behind these bigger combinations and they really haven't experienced emergency braking. They've got their licence in a B-double—

The Hon. SAM FARRAWAY: What I'm getting from what you're saying is that going to larger combinations could relieve some pressures in the movement of freight and efficiency but it's going to come down to the training to ensure that once you go to that PBS set-up and you get those permits to take those larger loads on those highways, there needs to be that level of competency, essentially, that you've got quite a bit of load behind you and the understanding of braking.

TREVOR WARNER: That's right.

The Hon. SAM FARRAWAY: You're saying that going to a larger combination set-up could relieve pressure but training has to follow?

TREVOR WARNER: Training would absolutely be a priority. I understand we've got a driver shortage. We've got plenty of licensed drivers out there; they just don't want to drive trucks or they don't want to take part in certain sectors of the industry. So the only solution at the moment is to have those bigger combinations, but there need to be controls around that as well, about driving time and all that, because you've a lot of weight. Everything is great while the road is clear, but when you've got to have an emergency—I've got a video on my iPad. I don't know what happened; the driver went to sleep. I had to quickly jump into the other lane and come back to avoid a head-on and they scooted down the left-hand side of the truck. If I had been in a road train that particular trip, I may not have kept it upright. It was a pretty hard thing. For the bigger combinations, there needs to be a lot more focus on training and competency and time on the road. There's a lot of weight there to control.

The Hon. SAM FARRAWAY: As a truck driver before the Committee today who actually lives and breathes this every day, I want to ask you about the NHVR. Obviously the Roads and Maritime Service, or the old RTA, has now fully transitioned to the NHVR. In your experience, with 15 years doing interstate, is it better or worse with a nationalised or federalised model? You talk about some of the law enforcement aspects in your submission, but what are some examples of the small errors, I suppose, that you talk about that are adding stress to drivers?

TREVOR WARNER: I get on very well with the NHVR. I try to engage with them as much as possible because I think they're in a key position to be able to help the industry. The feedback that I get with my Facebook page, The Drivers Advocate, is probably about the attitudes of police officers more so than NHVR.

The Hon. SAM FARRAWAY: In what way, though? I suppose that they're not necessarily the regulatory body or enforcement.

TREVOR WARNER: No. I've always had a better experience with NHVR than I have with the police. I get on good with the management. I've been able to explain the way certain things happen and they've listened and taken it onboard; they've been more proactive in that respect. I quite like the NHVR model. I think it synchronises the industry a lot more—brings us together. I know there are some people who don't like them because of various reasons, but I think they're playing a key role at the moment in the way things are.

The Hon. SAM FARRAWAY: With regard to enforcement, then—it's good feedback around the NHVR. It's best to ask actual truck drivers because you live and breathe this stuff. But with the police, is that because there's not an understanding of the requirements, the law? Are they too heavy? What was the issue around the police?

TREVOR WARNER: My last interaction was with a young officer. He queried me about my—I'm on an electronic work diary now. I've given away the paper one. I find the electronic one is really good. He wasn't up to speed with a lot of that so I went through a bit of an education with him. That worked out really well. But I just find that—sorry, I lost my train of thought there.

The Hon. SAM FARRAWAY: You were talking about the electronic work diary. I think, more broadly, the whole industry is moving towards that in time. But you're saying that local law enforcement, such as the

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highway patrol, don't understand the movement in some of those regulations around the NHVR and how they're to be enforced?

TREVOR WARNER: Yes, that's right. I've had a few interactions with police. But NHVR seem a lot more open to what's really going on because they've taken the time to sit down and have a beer with us and go, "What are the problems? What can we fix?" They've been very open to it and been quite responsive. I'm a National Road Freighters Association board member as well, but I'm here in a private capacity today. We've had some really good interactions with how they're proceeding with the enforcement and rolling everything out, and the problems within the industry. It's been really positive.

The Hon. MARK BANASIAK: I might pick up on some of the questions from my colleague. In terms of education, you were reluctant to state a time period but I'm getting the sense you think there needs to be more built into the course in terms of different levels of competency in terms of particular skills. You mentioned the emergency braking, dealing with heavier loads and these new, bigger trucks. Do you think that's the way forward: reviewing the actual qualifications and building more layers of competency or more skills into the course?

TREVOR WARNER: I think so. It scares me to see young drivers. You can see that they're not experienced by the way they throw their trucks around and the way they try to overtake in places. The licensing regime needs to be spread out a little bit. I know the big companies are really struggling to get drivers, but out on the western roads, the way some of the younger drivers throw those big trucks around—the B-triples and the double road trains now—it really does scare me.

The Hon. MARK BANASIAK: Do you think there should be a staged approach to getting younger people behind those vehicles, like we have with regular cars—you know, so that a P-plater can't be behind a big, hotted-up Commodore; they have to work their way up to it. Do you think that is a more sensible approach?

TREVOR WARNER: I believe so. When you really need to jump on the brakes, when you have 65 tonne or 85 tonne pushing you, it's a real eye-opener. The way that the licensing is at the moment, I don't think we're building enough experience into these new drivers—and regardless of age. I've seen older drivers make some silly mistakes. I think there needs to be a longer period at the lower licensing levels, and not necessarily more training with registered training organisations, but more experience behind the wheel before they move up into the bigger trucks, because when it all goes south it's a lot of weight to pull up.

The Hon. MARK BANASIAK: Picking up on what you said in your opening statement about the state of the roads—and I know Mr Farra way has talked about the Pacific Highway—are there specific roads that aren't really up to scratch? Could you elaborate on how that impacts a driver's driving and also their fatigue management in terms of having to constantly be concentrating more?

TREVOR WARNER: Absolutely.

The Hon. MARK BANASIAK: Could you elaborate on any particular roads that you think cause greater havoc for truck drivers?

TREVOR WARNER: Even running to Melbourne, I prefer to use the Pacific and the Hume highways, purely because you've got four lanes all the way now. When the bypass at Coffs Harbour is completed, that will be brilliant. It removes so much risk from the job. You've got a lot more room to pull up and refresh. One of the biggest things of driving out west is the vibration. It might not be big vibrations, but it's constant vibration all day, and that plays on the driver's mind, and physically as well. Plus, it increases the damage to the truck as well. I prefer to run down the "coast road"—that's what we call it—rather than run out back. But I do know a lot of people prefer out back because it has less traffic. I like the idea of the way Austroads have had the wide centre line. You've trialled it here in New South Wales. I'd like to see a wider shoulder as well, just to give you that extra room. It is not that much extra work, I would imagine, but it just gives the drivers more room.

The Hon. SAM FARRAWAY: I think they have trialled it on the Newell Highway.

TREVOR WARNER: Yes, that's a brilliant idea. Even the Bruce Highway—like, some of those bridges up there really need to have another metre either side just to give you that extra room. But the Pacific and the Hume, I'd use those any day over the Newell. It's better for the driver, it's better for the truck and it's safer for the general public, in my view.

The Hon. MARK BANASIAK: I have one final question, picking up on your submission and on other people's submissions too. They tell this story about how they are coming up to the time where they need to have their rest break and they pull into the closest rest stop but it's full. They essentially have to force themselves to bend or break the rules to try to get to the next stop or get to their final destination. Do you think when we are designing these rest stops we might need to think about a spillover or how we can better cater for those peak periods? Clearly, there would be some data out there in terms of where people are stopping and where the demand

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is. Do you think we need to create a spillover a few kilometres down the road so you're not driving another 50 kilometres to 100 kilometres?

TREVOR WARNER: Yes, 25 kilometres to 30 kilometres would be good, particularly late at night. I've got to Clybucca rest area late at night and there's been absolutely nothing there. So you pull up and try to find a spot wherever you can because then you've got Nambucca truck stop, and it's often full. If you go past Nambucca, you've really got to get into Coffs Harbour, and that's like an hour and a half up the road. So you stop and manage your fatigue as best you can. I really like the idea of—with the Pacific Highway, it's been upgraded, so there's not a lot of scope there now. We can expand some of those rest areas.

Personally I'd like to see rest areas or at least pull-off areas every 50 kilometres or every 70 kilometres. With the Newell Highway being upgraded now, it's the perfect time—if you're going to do a realignment, keep the old highway there and tidy it up a bit. That's what happened with Bundjalung: they realigned the Pacific Highway and that's probably the best rest area that we've got in Australia. You've got trees either side so you've got shade, it's quiet, you don't hear the highway roar, and it didn't cost the Government too much to do at all.

The Hon. Dr SARAH KAINED: Mr Warner, in your submission—and I think Mr Farraway referred to the law enforcement issues. But you also talk about what drivers are good at and what perhaps they are not so good at, including the paperwork and record keeping. What kind of practical suggestions could come from that? Perhaps there are literacy issues. What are the types of things that we should be thinking about on that side of it?

TREVOR WARNER: I've been part of the electronic work diary rollout for probably two and a bit years now. I've had a lot of input with four companies. When they first came out, they were approved, but they had so many flaws in them that they weren't providing the right information. With the drivers that struggle with literacy, I think the electronic work diary is a far better solution. The problem is that management hasn't quite caught up to what is going on. The last three companies that I've been with—I've always been fresh produce into Sydney and Melbourne and Adelaide—we're dealing with farmers, and they are slow. There's just so many things. I think the industry is fearful that with the electronic work diary, if it is made mandatory, it is going to really put the pressure on them to perform rather than fudge a little bit here and fudge a bit there to suit their own personal body clocks. It's an interesting—

The Hon. Dr SARAH KAINED: Drivers are worried about that?

TREVOR WARNER: Yes. We've got an ecosystem over here in a workplace, and we've got another workplace here, and we're being asked to transport freight between the two. These people don't really talk together, and we're stuck in the middle trying to make the job complete and to do it safely. We're really thrown in the deep end. With drivers that struggle with reading and writing, they might not be able to work out how to best put that in their books so it all looks legal. With the electronic work diary it is fairly straightforward like that, but you need management to be able to work with you on that area as well. I can do a 20-hour day, no problem, but I've learnt over the years how to manage that 20 hours. The first employer that I was with, all we did was run fresh produce from the Sunshine Coast down into Sydney. Every day was a 20-hour day. But you learnt very quickly that if you were tired, you stopped and had a power nap—a reset break—and then you continued on. It scares me that the new drivers coming in haven't learnt that yet.

The Hon. MARK BUTTIGIEG: This is the whole issue, isn't it? You're talking about 20-hour days. Almost universally now in industries, the most you can work is 14 or 16 hours door to door. You've got a situation where because, essentially, people have to do this to compete, you're still putting in 20-hour days in a lethal weapon when you are tired. It seems to me as though there is too much emphasis on training and paperwork and pushing everything onto the driver, rather than the structural approach which is what needs to happen first. All the rest is nice to have and comes in and helps, but unless you solve it at its root, you're going to have the same problems, aren't you?

TREVOR WARNER: That's right. That's it. I've subcontracted as an employee driver for probably some of the biggest companies. Back in about 2010 or 2011 I engaged with the old RTA office. I actually did a Linfox load. It was a 20-hour day. Mr Linfox would sit beside me and he'd go, "I don't endorse that." But it was subcontracted out. All their trucks only did a 12- or 14-hour day and the subcontractors did the 20-hour day. I've been in fresh produce all the time, probably 10 years doing locals with the rigids doing the farm pick-ups and now I do interstate, so I've seen the whole gamut and I learnt very quickly how to manage my time. It scares the hell out of me now that some guy can, whether he's retrained or straight out of school, go and do a course on Friday and be in a B-double or a 30-metre PBS road train on Monday and he's only had 12 months' experience. Scares the hell out of me.

The Hon. SAM FARRAWAY: You mentioned, Mr Warner, in your submission that when any government builds new infrastructure—the Pacific Highway is an example—where you then bypass communities,

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you don't have access to the same level of access to food or fresh food, which brings me to my point around service centres. They've obviously become far more critical to the overall industry because that's where they can pull in with a truck, correct?

TREVOR WARNER: Yes, correct.

The Hon. SAM FARRAWAY: What are the minimum standards, I suppose, that you want out of a service centre for you to do your job properly? Because I have a view—and I'd be interested if you share this—that into the future with our planning, government should be more involved with these service centres about what they offer if we're to support the trucking industry. In your view, what are the top three or four things that a service centre should have?

TREVOR WARNER: These businesses need to be viable, which is a major challenge. The wages really haven't kept up with the job so drivers are on the road six days a week, they're sleeping away, and the wages really haven't kept up so you're pushed all the time. With the service centres that I find, the quality of food has gone down so you're struggling with that side of it. Then you're struggling with pressures to do the job as well. Sorry, I lost my train of thought.

The Hon. SAM FARRAWAY: The parking, I suppose—in terms of some of the planning of these service centres, are they not futureproofed enough in terms of the parking?

TREVOR WARNER: No, definitely not. Take BP out at Eastern Creek. It's way too small now. You've got the businesses; they want to move the chain of responsibility out into the street away from their control, so everything is pushed back into these truck stops. Rest areas along the way, they are not too bad. I have a few little hidey-holes that I use, but for new drivers it's a real struggle. And I think government can play a greater role, not necessarily controlling the rest areas but utilising the ground around to expand that parking area so you can get the bigger trucks in, more accessibility to the bigger trucks and probably less chance of overflow and the drivers being forced further up the road—that type of thing.

The Hon. JACQUI MUNRO: We've heard a lot about the green reflectors. I suspect you're aware of them because you've been very involved in the industry. Through your advocacy work and even through your Facebook page, are you finding that other truck drivers are very aware that they can look out for the reflectors and that that's a useful place for them to stop?

TREVOR WARNER: I think the green reflector program is probably one of the greatest safety initiatives that the industry has put out there in between the towns. I used to do a lot of work out west out at Griffith and I run down the centre through Bourke and Cobar to go to Adelaide. The green reflectors out there, when you see them, it's a relief. It beggars belief that that program has taken so long to get a hold, and I'd like to see it all over Australia.

The Hon. JACQUI MUNRO: Do you find that other truck drivers are very aware of it? Is it word of mouth? Are you promoting it through your Facebook page? Are people thanking you for letting them know about it? What is the level of awareness?

TREVOR WARNER: Yes, it's getting up there. The newer drivers, they like pulling up at the truck stops where they've got facilities, but us fellas and ladies that have been around for a long time tend to just stop in there for 15 minutes and then go and find a hidey-hole out in the bush somewhere where it's nice and quiet. Those green reflector bays have literally saved my life. I was really struggling on one trip and it was a long stretch between towns, and when I saw those green reflectors it was a sigh of relief. Thankfully there was no-one else there as well.

The CHAIR: Thank you very much for appearing, Mr Warner. That is the end of the session. I hope you haven't eaten into your sleep time by appearing here, given that you said you have a long drive tonight.

TREVOR WARNER: I just got a message before that I'm heading out between eight and nine o'clock tonight.

The CHAIR: Thank you very much for appearing; we really appreciate it.

TREVOR WARNER: No problem. Thank you. I'm glad I could help.

(The witness withdrew.)

(Luncheon adjournment)

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Mr MARK PARRY, Managing Director, Ron Finemore Transport, before the Committee via videoconference, affirmed and examined

The CHAIR: I welcome our next witness. Mr Parry, I understand you have a short opening statement to make. Is that correct?

MARK PARRY: I don't. The only thing I'd like to do is apologise for not being there in person. Qantas cancelled a flight, and then Rex was caught up with all the airport delays in Sydney, so I appreciate doing this via the Webex link. It probably would have been better for all if I was there, but, despite best plans, that's not going to happen.

The CHAIR: Be assured we have had a few witnesses appear via Webex, and that's not unusual. Your evidence is just as influential and powerful as if were you here in person.

MARK PARRY: No problems at all.

The CHAIR: Would you like to make a short opening statement or do you want us just to proceed with questions?

MARK PARRY: I'm happy to make a statement. Obviously we've submitted a response. Ron Finemore Transport is a privately owned company. We're in a good position to be able to participate in this inquiry, given that we've got operations and bases in Wodonga—which is on the New South Wales border—Goulburn, Wagga and Orange. We're in and out of Sydney, really, from those locations on a daily basis. Our business really is about food and fuel in the main, which does lead to some of the nuances in terms of driver hours and things that were covered in the report. We do cover a range of regional as well as metropolitan areas in the work that we do. We work for customers like Woolworths, Manildra, Baiada, Ampol and the like. I would say that our customers tend to be that top-tier-type level, as well as Aldi. I'm happy to take questions as we go, but the reason that we did respond was we felt it was important and we felt that we are a key player in those particular regions in your State.

The CHAIR: Great. Thank you so much.

The Hon. SAM FARRAWAY: Good day, Mr Parry. We have met before. You've had me out to your depot at Orange in my former life as the regional transport Minister. Thank you for attending. You have a very impressive operation. I'm glad that Ron Finemore Transport is here today because I think you'll be able to give a fair bit of insight. Last time I spoke to you, Mr Parry, you were telling me that you had upwards of maybe 60 to 80 vacancies within the business in terms of vacant driver positions. Is that still the case?

MARK PARRY: It's still very much the case. It would be 80 to 100. Our fleet is 300 trucks now. When I started some nearly eight years ago, we were 196, so that gives you an idea of the growth in the fleet. But the driver shortage is not just about that growth; it's the fact that the industry generally isn't seen to be attractive. The driver cohort, generally, has been aching, and it's difficult to get young people to enter the industry because of a number of the factors that you're covering during this inquiry.

The Hon. SAM FARRAWAY: One of the things I'd like to talk to you about is ways that you have gone about recruiting more drivers. In your organisation do you reward or have incentives for drivers that follow best practice and work within the rules and regulations—you create that workplace—and I suppose incentives for good driving as well. Could you explain to the Committee some of that work that have you implemented?

MARK PARRY: Yes, I certainly can. Our wages and conditions are governed by an enterprise agreement. Indeed, we've just got a new enterprise agreement approved by the Fair Work Commission in late September. We're probably in a difficult position as a transport operator in that we're a HC and MC operator with very few heavy rigids, so we do need drivers with experience. The things that we've done, obviously, is advertise through the various regions. Of late we've tried to get a labour agreement up because, as you know, drivers are not on the skilled migration list. Unfortunately, that was rejected by the Federal Government. We've also been advertising in New Zealand. We've only started that in the last three months, and we've had 10 people come across. I think that's positive. Some of the benefits that we have as a regional transport company are that most of our drivers can be base to base within a day, so they're generally back home. They can enjoy the regional lifestyle and the benefits that provides. Because of our enterprise agreement and being above award, that also attracts people.

The specifics to do with trying to attract and retain people, in relation to your question, are that we have a loyalty increase that occurs for each driver over and above the enterprise agreement for the first five years. So you get that on your anniversary each year, and that goes up half a per cent for the first year and then a per cent thereafter for the next four years. We have written into the enterprise agreement a quality and safety incentive, under which drivers can earn up to \$250 a month, provided that they follow their training and the legal safety

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requirements of driving and do not have any incidents. So that's, again, another circa \$3,000 over and above that. They're just a few things that we do, as well as obviously the investment in the fleet. Our on-mover age is slightly less than two years old for the entire fleet, and then we supplement that with various technology, including driver and forward-facing cameras and seeing machine guardian technology to monitor fatigue and distractions. We are just now working through electronic work diaries with drivers to help them manage their time and work better.

The Hon. SAM FARRAWAY: Is it fair to say, Mr Parry, that there has been a significant shift in the trucking sector over the last five years—and maybe COVID compounded this—where drivers really want to be home in their own bed at night? Gone are the days where people would want to be an interstate driver in a bunk in the back of a truck. Again, COVID explored this view, but people may have changed this and made a lifestyle choice where the people want to live on the coast and close to depots, or they want to be able to have day trips.

MARK PARRY: I think you're right. We certainly find that. I've been at pains in our organisation to say we not only have an attraction issue; we have a retention issue. We've got to keep people when we get them. But to your point, typically people in the industry have been used to working with drivers who are happy to work their five or six days a week and are happy to get in a truck at the beginning of the week, do interstate work, sleep in the truck and get back home for a day or two on the weekend. We've got a lot of people, particularly, in the regions. We're a big employer of Indian drivers. We generally find that there are more families with both partners working. That then puts a greater onus on the driver and a desire to do work that gets them back each night, that gets them back at a reliable time, and also allows their partner to work and manage and share the child duties. I think the newer generation of drivers has a different expectation and desire than—let's call them the traditional drivers that we might have seen 10-plus years ago. I certainly think, for whatever reason, COVID has fast-tracked that change.

The Hon. SAM FARRAWAY: In your submission, Mr Parry, you talk of the nature of the heavy vehicle industry in the State of New South Wales, and you talk about lots of different operating conditions but, in particular, you talk about long distances and road quality and congestion. With some of the depots that you've outlined, you would use the Hume Highway a lot and maybe the Pac Highway a bit, but also the Great Western Highway. You know that I live in the Central West. In some of the discussions I've had with trucking operators in the Central West, they find that the quality of particular highways, and a lot of the east-west connectors to the Hume or through to the Pacific Highway, are some of the greatest challenges for the trucking industry. Those highways are holding back the issue and creating pressures in themselves around congestion and fatigue because of the stop-starting but also a massive safety element. In having such a big depot out in Orange, would you agree with that? Do you have any other insights in particular in highways like the Golden Highway or the Great Western Highway, which are in significant need of improvement and are really holding back the freight sector by road and the future movement of freight?

MARK PARRY: Yes, I would. Living in Albury-Wodonga, at the moment the Hume is a magnificent piece of infrastructure. When we've got drivers coming from here into Canberra or Sydney, it's very predictable until you start to reach the outskirts, as you've just said. The congestion in getting from the Hume into distribution centres in Greater Western Sydney or those surrounds—Wyong, Newcastle—becomes the difficult and frustrating part for drivers. In and around the Central West, as you said, the Blue Mountains road has been undergoing significant roadworks during my eight years with the company. That continues. That is sorely needed and probably well behind where it needs to be, if the world was an ideal position.

Last year in particular, given the floods and rains—I'm talking about that 12- to 18-month period—all those roads in and around Dubbo, Parkes and Canowindra are in a disgraceful condition. I'm not having a go at local councils or anybody else; it's just a matter of fact. The Newell, in particular, is having a significant cost to organisations such as us because of tyre, truck, suspension and brake damage. I would say two things broadly: getting in and out of metropolitan areas is very, very difficult and does impact on fatigue and drivers' ability to plan their time; and the capacity and access of those satellite roads in and around the major highways are not in good condition and not satisfactory for the movement of heavy vehicles, as they exist today. That's been exacerbated by the heavy floods and rains that go back the last 18 months.

The Hon. SAM FARRAWAY: How has Ron Finemore Transport found the transition to the NHVR? Now that we've seen a full transition in New South Wales, have your drivers or from a company perspective, do you find it's more streamlined? Has it been a positive move or have there been issues?

MARK PARRY: Both. It's been positive in some respects and had issues in others. If you look at, for instance, permitting, there's still a significant amount of waste both in terms of time and cost from dollars and people with regard to getting permitting, because every local council ultimately has to make decisions. We are a significant and ongoing investor in higher productivity trailing equipment, which brings with it all the safety features and means technically there are less trucks on the road for every pallet moved. But it's very hard to get

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those last-mile permits in place. Even though the NHVR is the regulator of heavy transport, you still have a significant local police presence that looks at trucks and drivers, as it should. But there tends to be more of a targeting of drivers on minor administrative errors to, frankly, raise revenue rather than deal with risk. The overall intent of the NHVR is good. There are lots of things that we would point to that have been improvements, but there's still a lot of work to be done to reduce waste and make that side of the compliance and legal requirements more streamlined and efficient.

The Hon. SAM FARRAWAY: I will change tack to competency-based driving. I know Ron Finemore himself has been a huge advocate of this. I know he has worked with the LBRCA over the last few years. As a very reputable and large trucking organisation in New South Wales, what sort of buy-in would your organisation—or, more broadly, across the industry—do you think there is to go towards a competency-based model, particularly for those wanting to transition careers, but also those who might be finishing school, where mum and dad can see a five-year career pathway in trucking and where they can obtain a light rigid and go right through to a combination licence, and maybe one day eventuate in running the operation of the business or owning their own company. The point I'm making is what do you think the model should look like? How long do you think you need to lock in that youngster over the course of a couple of years to make them competent and to meet community expectations but also industry standards?

MARK PARRY: Ron himself is obviously a strong advocate of competency-based training. It's worth remembering—you talk about a person who started driving a truck who might be running an operation or a company. Ron started as a truck driver; look at the size of his operation now. I'm a strong advocate and supporter of competency-based training. There's that oft-used line that you can get a pilot's licence and start to fly a plane at 16 but you can't start to develop your career in logistics. The current system allows people at a certain age to get into a truck, get some training and be on the road in a very short space of time without necessarily being competent. For our organisation, before we employ anybody and put them on the road, they go through a full driver assessment and a number of criminal, medical and other checks, but then they go through a four-week induction of buddy runs regardless of how long they've been in the industry.

We, and I, support competency-based training. I don't think it necessarily should be age limited because that precludes young people making a start in logistics and choosing that as a career. We think that it should be like an apprentice-type system where you are working for a company such as ours that not only has an enterprise agreement, which means we're paying well, but we've got the technology and we've got the systems to train people and hopefully develop their career. I'm a strong advocate for that and believe that that change would make the industry safer, more attractive and potentially allow people to start their career before they find something else and then that passes them by.

The CHAIR: Thank you. We'll go to questions from Government members now. Dr Kaine?

The Hon. Dr SARAH KAINE: Thank you very much, Mr Parry, for appearing. I wonder if I might ask you a question about your submission? In talking about overheight incidents—but you do also draw comparison with the utilisation of rest areas and fatigue management—you talk about these overheight incidents and the use of fatigue management practices as often linked to time constraints and inadequate training. We've heard a little bit of what you've had to say about training, although you could be more specific if you wanted to. But I wondered what are the issues, time constraints and pressures that you refer to throughout your submission?

MARK PARRY: If I talk specifically about our business, we have a contractual requirement of hitting 99.6 per cent of all of our deliveries within an hour window. You can imagine a truck leaving Orange, going down over the Blue Mountains into Sydney, into a distribution centre, loading, back up over the Blue Mountains and into a supermarket. I often use the analogy that you if you get in a car today and go to the airport and you're on time, you have no anxiety. We all feel good. It's amazing that if we feel we're running a little late, we think we've got every red light, we think every car in front of us is the slowest vehicle on the road and that increases anxiety. My reference to fatigue and driver anxiety really is that nearly all drivers have to be somewhere within a time limit. If there's any delay, be that unintentional on the road or whatever else, that creates anxiety. The risk for anxious people is they take shortcuts, whether they try to fudge a work diary, whether they don't do their load restraint right or whether they don't even think about it because they're in a rush to get back out. All of those things come into play.

With regards to the overheight and other things that we've spoken about, the technology in the trucks now, for example, gives us the ability to geofence specific locations and alert a driver before they get there. We have some sites where we know drivers have incidents so we alert them before they get there, saying, "You are approaching a site where there have been many incidents." That technology is now evolving to the state that I think within the next 12 months we'll be able to match the messages to the individual driver. Imagine if you have a driver who has had a number of overheight incidents or whatever else; imagine having a geofence that, within a

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kilometre of where they normally have those issues, reminds them of what they need to do. But going back to the start, nobody has an intention to hurt themselves. Nobody has an intention to go out and hurt anybody. But I do think the anxiety to either hit your delivery window and/or get home at your designated time to your partner can create circumstances where people either forget their training, neglect their training or take shortcuts.

The Hon. Dr SARAH KAINE: I have a follow-up question. We've heard a lot today—and you would if you've had an interest in transport for a while—that the economic pressures come up a lot. The economic pressures that are exacerbated down those supply chains come up a lot, and they have today as well. I wonder, without asking you to reveal anything that is commercially sensitive—you are managing to hold on to these large contracts that you're talking about whilst paying above award wages and also apparently investing in training and other things. Obviously, there is pressure in any industry. If there is downward pressure then the better operators feel that pressure to cut corners as well. What is it that differentiates your approach that, from what we are hearing, allows it to be different?

MARK PARRY: Let me say that I'm not a transport person. I've been in this business for eight years, but I've worked for BHP and in mining and manufacturing and whatever else. So I'll say it up-front: I cannot understand for the life of me why someone would own one, two or four trucks, because I know how expensive it is to run a truck.

The Hon. Dr SARAH KAINE: So we are talking of economies of scale.

MARK PARRY: Economies of scale and the fact that our drivers get paid every day, regardless of what work they do, and they know they are going to get paid. If you are a single operator or running a small fleet and your truck is not on the road, you're not getting paid, and that then reflects on your ability to fund your family and your mortgage and everything else. But coming specifically to our organisation, we've got an owner that has been in the business for 50-plus years. We are very disciplined about what we do. We don't chase the top line at the expense of the bottom line. We are very vocal on saying, "We are not the cheapest, but we seek to be the best," and we want to differentiate ourselves on reliability and safety. We don't tender for work that has extended payment terms because our major customers don't have extended payment terms.

Without disclosing companies, there are some large, multinational companies that will only tender for contracts for 12 months and have 180-day terms to begin with—and they are notorious for changing those contracts every 12 months. So imagine you're all excited about winning a contract with major company X, but you're not going to get paid for 180 days and at the end of 12 months they will switch to somebody else and you've still got 180 days before you get all your money in the bank. Some of those commercial pressures are decisions that people make.

But, going back to the start, if you're a small operator and every cent counts, sometimes you've got to chase the top line at the risk of margin and you don't necessarily have the power or wherewithal to say, "If it doesn't suit us, we won't do it." That's our approach: We don't tender for all work. We tender if we believe we can add value, we tender if we believe we can make money out of a contract and a customer, and we won't tender or win work if we think it puts current work and contracts at risk. That's where the discipline sits for us.

The Hon. Dr SARAH KAINE: Your submission talks about enforcement and the need to focus on particular behaviour and driving. What would you consider to be the really risky behaviour and driving that needs to be the focus? What is the focus that you're talking about?

MARK PARRY: We have the ability in our company to monitor speed for every kilometre where there is a speed-posted sign. To me, over-speeding is unacceptable in a heavy vehicle. Working outside the legal working hours, to me, is unacceptable. Driving a truck that's not properly and appropriately maintained is unacceptable. Where drivers and we get frustrated is where a law enforcement officer will pull someone up, go through a logbook and find that a date is missing 10 days ago or find something is not signed right. That's got nothing to do with fatigue or managing risk; that's about raising revenue and administrative fines.

I come back to the basics of mass management, fatigue, speed and ensuring that we never ask or seek our drivers to do something that causes them to break the law. That is where the focus should be. But for companies increasingly that invest in safe, modern fleets using Guardian technology or telematics and the like, the law enforcement agencies are free to come in and look at us any time. We applaud and support that. But there should be recognition that there are a lot of companies who do the right thing day in, day out. There are a lot of drivers who do the right thing day in, day out. There should be a greater focus on those drivers, companies or equipment that are more at risk on the road.

The Hon. MARK BANASIAK: Thank you for appearing before us. I want to pick up on some of the questions around the training. How would your organisation rate the current standard of training being offered by the RTOs at the moment? I note that you said that you implement your own sort of systems in place in terms of

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buddying and doing your own assessment of the driver that comes before you. Is part of the reason for that that you don't necessarily trust the consistency of the training amongst the providers?

MARK PARRY: That is too broad a question for me to be specific on the RTOs. I'll try to be specific in my answer. When a driver comes to you, they could have been driving—they have to drive for at least 12 months before they come to us; that is our requirement. But they could have been driving for many years. There is not necessarily a correlation between a highly experienced driver and one with less experience. It comes back to their skill, capability and who they were trained by. I think there are some very good RTOs. But we've got a prime mover that's worth circa a quarter of a million dollars, we've got trailer equipment that's worth close to another million dollars and then you've got the cargo in the back. You bring a driver in and you are really are giving them a piece of equipment worth a million to a million and a half dollars to go on the road. We want to make sure they are safe and we want to make sure the other road users are safe.

I would never sit and say that somebody has gone to an RTO that we think is gold class, therefore they're alright. We are always going to do our own assessment to make sure that they are okay and that they do meet our standard and requirements. The other thing for a company such as us—because we continue to invest in high productivity trailing equipment, it tends to be at the limit in terms of size. Loading docks, unloading docks and sites that you deliver to have changed for the last 20-odd years. It is always tight to get drivers in and out and damage to equipment can be very, very expensive. As well, if you are in one of our Scania, Volvos or Daimlers, it's the same as driving a Volvo or Mercedes car. The sensors, even around those—what was previously a damaged pump or a guard can now be a \$2,000 sensor. I think the quality of RTOs will vary, rightfully so, across the country. The only way to see if someone is truly capable is to assess and test them with our driver trainers.

The Hon. MARK BANASIAK: Picking up on what you just said there, in your submission you talked about the average age of your fleet. You were just talking before about the changing nature of the variability of conditions that a driver will experience. Do you think the training has actually kept up to pace with the technology now in the vehicles and the variable conditions that your drivers will face, or do you think we need to do an upgrade in what the course is testing?

MARK PARRY: I think there is certainly a need for an upgrade. Do you know all the features on your mobile phone today? Do you know all the features in your own car? And you're a car driver—I'm not being rude when I say that. The technology in the trucks continues to evolve. We're in a very fortunate position that we have very good and strong relationships with the truck OEMs, original equipment providers, and we insist that their driver trainers come in and train our driver trainers and our drivers in how best to manage and drive the new equipment. Perhaps a case in point: We had the Benz driver trainer talking to our driver training group—our driver trainers themselves. It was amazing how many of them said, "I've been driving these trucks for 15 to 20-plus years and there were things that I've learnt today." I do think that we're probably at the upper end in terms of people who invest in these things and take this extremely seriously, and yet we've got those driver trainers saying that. What would that say about the rest of the industry? I think the training needs to continue to evolve and improve as the technology and the equipment does.

The Hon. MARK BANASIAK: Yes, that was my concern. You guys sound like one of the leaders in this space, and it is the variability in that level of on-the-job training that concerns me between the different organisations.

MARK PARRY: I'll just add one more thing, and anybody who has telematics can do this. But to give you an example, we know for every driver every day their performance scores. We measure speed, harsh braking, over-revving, fuel economy and anticipation, and that anticipation is the time from foot off brake onto accelerator or off accelerator onto brake, which gives you a view of how harsh or otherwise they're driving the truck. We rate them; they're scored. It's put up on the notice board. That creates some peer group pressure to want to improve, but the technology starts to give you the ability to do that, and more and more the trucking companies, the Benzes, the Volvos and the like, do the same through their telematics systems and all of those things are available to the industry if they choose to use them.

The Hon. JACQUI MUNRO: Thank you so much for appearing today. My questions lead on from that. It's really around the use of digital technologies and the telematics that you collect. Has the collection of that data allowed you to change your business operations? How has it allowed you to keep your drivers safer?

MARK PARRY: I'm going to give you a few examples. I'm going to talk about technology as a sword and a shield. If you're over-speeding when you have an accident, if you're on a mobile phone, if you're distracted, our technology will tell us and it will tell the law enforcement agencies. I can tell you it's almost the 80-20 rule: Eighty per cent of the time the technology is actually used as a shield. The ability to show a driver a video of them having a fatigue event is a very sobering thing because when you first ask them they say it hasn't happened. But we know it has happened because we're monitoring and measuring it every day. Every trucking company on the

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road and every driver at some stage is having a fatigue event. Despite all of that technology and our training, we still have drivers who use mobile phones even though they know they're being detected, which is the sword.

Having the technology allows you to identify the societal issues that exist in your business and try and change behaviour. We'll always have the aim to change behaviour because if a driver goes somewhere else they'll do that and they won't have the ability to have the technology to help them. I think more and more those things are going to be tools that can help us, in terms of the sword and the shield, modify behaviour and train people. Particularly as less experienced drivers come into the industry, having all of that technology and tools and helping coach and guide them can get them to be a better driver and hopefully be that for a long period of time. I can put my hand on my heart and tell you that I've seen fatigue events that, but for the technology, would have resulted in deaths. I have no doubt about that.

There was a multiple fatality at Chilton just outside of Wodonga. You probably all saw it a few months ago where our driver was doing just on 100 in a 110 zone and a car has pulled straight out in front of him. We knew within an hour that that driver wasn't to blame. That didn't help us in terms of the four fatalities but it certainly took away the fact that that heavy vehicle driver may have been at risk or caused the accident. I'm a strong advocate of technology and believe that it is a very strong aid to helping identify at-risk behaviour and train people through that.

The Hon. JACQUI MUNRO: Do you think there are commonalities around any inhibiting factors that prevent other businesses from taking on this technology?

MARK PARRY: I think some people can't afford it, and I say if they can't afford it, they just haven't yet woken up to the cost of getting these things wrong. I do see it as an investment, and I guess that's easy to say when you're a company like us, but as Ron says, with this technology it really gives him the ability to sleep at night. It would be something that I would make mandatory, so if you're going to have a contract with Coles or Woolies or Baiada, you can't have a contract with them unless you have this technology. That is starting to happen. It's that old adage that what happens on the racetracks today will be in passenger vehicles in five to 10 years. This technology is here; it's now. It isn't cost-prohibitive if you think of the risks of getting it wrong. Insurers do give you a lower premium when you do invest, but I do think it's something that should become mandatory and would help make the roads safer and help identify at-risk driver behaviour.

The Hon. JACQUI MUNRO: Just finally on that, who do you share your data with?

MARK PARRY: Generally, our drivers and our workforce. But if we've had an incident or an accident, we don't wait for the police to subpoena us; we make all of our data and information available to them.

The Hon. Dr SARAH KAINE: Mr Parry, I have a question about the technology. I appreciate the examples you've given and the benefits that you spoke about. Earlier on you also spoke about the anxiety that drivers experience when they might miss their hour slot for delivery. Obviously, you're trying to encourage the safest behaviour through the use of technology. Even though there are benefits to peer pressure, doesn't that monitoring and that sharing of data create a different anxiety that somehow you need to mitigate as well? How do you go about doing that? In any workplace environment, constant surveillance is stressful. How do you counter that?

MARK PARRY: Any change has been difficult. Obviously, we had a very slow start to introducing this technology. We did it through voluntary basis, and then we educated people. The important part is that you are not being constantly monitored. You can't sit there and monitor this thing 24 hours a day, seven days a week for all your drivers. The technology is such that it's activated by a harsh brake—it can be activated by a driver pushing a button. In terms of the fatigue and distraction technology, it's only activated when the technology picks up that somebody is using a phone or their eyes are closing. It's not actually 24/7 monitoring and recording.

The Hon. Dr SARAH KAINE: But you did say there is a performance monitoring aspect daily?

MARK PARRY: In terms of the telematics, yes, that's certainly there. Again, I think drivers are used to that. They're probably not to the level of granularity that we use, but drivers have had TachoMatics and digital mile speeds and the ability of police to plug into the truck for a long, long period of time. All I say is that we're currently in the process of introducing electronic work diaries, for instance, and we're doing that on a voluntary basis. There is certainly a lot of work involved in managing change. Interestingly for me, we had a driver leave us because he didn't like the driving safety system, as we call it—driver-facing, forward-tracing, telematics and the fatigue management. He came back to us and said, "I will not drive a truck without it because I realise it's there to keep me safe." I think if you give people that message and that's the way you use it, then you'll get a much better response.

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The CHAIR: Thank you very much, Mr Parry, for appearing today. Once again, your evidence was very useful, and don't worry about the fact that you couldn't get here in person.

(The witness withdrew.)

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Mr PAUL RYAN, Chair, Transport Education Audit Compliance Health Organisation, sworn and examined

Mr SIMON EARLE, Chief Executive Officer and Company Secretary, Transport Education Audit Compliance Health Organisation, affirmed and examined

Mr PETER HILL, Chief Executive Officer, Sutton Road Training Centre, sworn and examined

Mr ANDY HUGHES, Senior Heavy Vehicle Driver Trainer, Sutton Road Training Centre, sworn and examined

The CHAIR: Welcome and thank you for appearing today.

PAUL RYAN: I am also on the board of Healthy Heads in Trucks and Sheds. For full disclosure, I'm on a Federal Government committee, the Heavy Vehicle Rest Area Steering Committee, under the chairmanship of Senator Glenn Sterle.

PETER HILL: I am the CEO of Transport Industry Schools Centre. We are based in the Australian Capital Territory on the border with Queanbeyan, servicing New South Wales and the ACT.

The CHAIR: Thank you. Who of you have an opening statement? Mr Ryan.

PAUL RYAN: To an extent, by introducing myself, I've made some direction towards the opening statement. My experience is about 40 years in the transport industry, principally in the industrial relations space. I've been Chair of the Transport Education Audit Compliance Health Organisation for the last—coming up to three years. During that period of time, we're a research-based organisation that focuses on research into the transport industry to provide some information, often prepared by academics, that we can then take to government at both Federal and State level to hopefully lead to a better operating and safer transport industry.

We're in the process, currently, of finalising an inquiry into the impact of COVID and infection control on the transport industry and how all the various border closures impacted our industry—in our view often unnecessarily—because as an industry our ability to control infection was pretty good. We've also done research into work health and safety in the road transport industry, and that's found that existing models of regulation and enforcement are complex and often overlapping. The best example is you can be legal driving a truck in Queensland; you cross into New South Wales, you're illegal; you go back to Victoria, you're legal again. It is the same truck, just the different nuances that the various State governments put around their transport law.

In terms of rest areas, I'll put it out there directly: The Federal Government, the steering committee I'm on, has \$140 million to assist States and local councils to apply for rest area funding within the parameters as determined by the Minister. Our role in that steering committee is to determine the merit of those applications and then allocate funds accordingly with, obviously, the Minister having the final sign-off. If the State Government applies for funding, the Feds will match it fifty-fifty. If the local council applies, the Feds will contribute 80 per cent and the council 20 per cent. It's for a build and renovate; it's not for maintenance—which is, in our view, a critical issue around rest areas. I've probably prattled on enough, Chair.

The CHAIR: Mr Hill, you also have a short opening statement.

PETER HILL: Firstly, I'd like to say that we appreciate the opportunity to appear before the Committee to answer any questions in relation to education and training. That's our forte. The Sutton Road Training Centre has been around for quite a long time. We're probably one of the largest education or training centres of our type in the country. We are quite fortunate that, although our facility is owned by the ACT, my organisation leases it from the ACT on a fairly extended lease basis. We service both New South Wales and the ACT in the heavy vehicle industry and other industries as well, in light vehicle training and some other stuff that we do.

We're a not-for-profit organisation, and I think that puts us in a place where we're not as commercially driven as some others. So that gives us more of a focus into the things that we see as important, and road safety is the thing that we see as important. "Safer Roads Safer Drivers" is our motto. The facilities are the former AFP driver training facility, so it was purpose-built as a driver training facility. We've added to that, but it is a driver training facility rather than anything else. We cover all heavy vehicle licence classes in the ACT and New South Wales.

I'll finish with we believe that road safety starts at the steering wheel. We believe there are three parts to road safety. There's the vehicle. There's the environment, with the roads et cetera, all of the stuff that goes with that and the money that has been invested in those things. But the third part of that, most importantly, is the driver behind the wheel. Whether it's in a light vehicle space or the heavy vehicle space, we believe that road safety starts at the steering wheel; it starts with the driver and education.

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The Hon. Dr SARAH KAINE: Thank you all very much for appearing today. My question to begin with is to Mr Ryan and Mr Earle. One of the things I know that TEACHO does is administer the BlueCard training passport system. I wondered if you could talk the Committee through what that is? How does a driver get one and what is it intended to do?

SIMON EARLE: The BlueCard training system essentially is setting out to establish a minimum level of occupational health and safety training for all workers in the transport industry. I'll make clear that it is not something which is mandated. In other industries such as the rail industry, the maritime industry and the construction industry with a white card, such programs are actually mandated because these are high-risk industries. In the transport industry, it is not. In New South Wales there is a contract determination, however, for contract workers under chapter 6 whereby there is an obligation of employers who are employing those contract workers to undertake a BlueCard training program, which is based on single unit of competency—follow work health and safety procedures. There are also a number of employers that may have embedded in their industrial agreements an agreement to provide such training but, again, it's not mandated.

What this essentially entails is half a day of training, which covers a range of OH&S-related functions and knowledge. Once a person attends training at an RTO—and it can't just be any RTO. You would understand the training system. RTOs are regulated under the Australian Skills Quality Authority, so there's a whole range of checks and balances in place that authorise those RTOs to undertake training. If it's a training which is going to lead to a BlueCard, then TEACHO has its own oversight of RTOs where they will apply to us to deliver the training and which leads to a BlueCard. We'll do our own assessment of those RTOs to ensure that above what ASQA's regulating. We know that ASQA went through a phase of promoting self-regulation for RTOs. We wanted to make sure that RTOs, beyond what ASQA is looking at, are delivering training which is transport specific and also that the trainers have transport industry experience so that the training is going to be fit for purpose.

Once an applicant, or a trainee, goes through the training program, the RTO notifies TEACHO that they have achieved the competency. Then TEACHO will issue a BlueCard, which will designate that that person has been trained in that unit of competency. The BlueCard is designed to be a skills passport. Beyond the initial WHS unit that a person might undertake, there is the scope to add other units as part of a skills passport, if that is so determined. We're in early phases of trying to promote this skills passport to industry currently. The single unit, as it stands, we're doing roughly this year about 700 new BlueCards a month, so it's something which is really starting to be embraced by industry as a minimum standard.

The Hon. MARK BUTTIGIEG: Can I ask a related question but a bit more high-level? In evidence this morning we heard that in an ideal world, if the training and the enforcement and the regulatory oversight were perfect, you get this situation where drivers couldn't undercut each other, basically. So if the enforcement was strong enough and the regulatory regime was tight enough and everything was working perfectly, you wouldn't get this price-taking model, which was put on evidence this morning. What was put to us was that in the practical world, that's just not going to happen because we won't have the resource to enforce every single regulatory requirement on a driver.

Obviously, the culture is important too. But, inevitably, the evidence was that you're going to get people competing to undercut each other on safety so that they can win the contracts and whatnot. I want to get a view from you guys as to what is the balance between that and economic regulation at the top end of the supply chain? Is it a combination of enforcement and economic regulation or does the emphasis have to be on economic regulation, notwithstanding the training and regulatory requirements as well? Because there's a bit of a tension between those two. Some evidence emphasises the training and the regulation and others emphasise the economic regulation. I am interested to know what the balance there is.

PAUL RYAN: Perhaps I'll take that question. In my 40 years' experience in the transport industry, the industry has always been, apart from about two years, price takers. Mr Parry made the point, I thought, very, very well previously that some of those people at the top of the supply chain will now say, "We only want a 12-month contract and we want to pay you on 90 or 180 days." That might be fine for a company that has enough cashflow to be able to manage that. These figures will be close enough to being 100 per cent accurate but Toll, Linfox, Finemore, DHL, K&S—the larger transport companies probably carry about 15 to 20 per cent of the freight that moves around this country. Most of it is done by smaller family companies and owner-drivers. The owner-driver might be the second, third or fourth down the line, and everyone clips the ticket on each transaction. What might start off as a \$100 job becomes 98, becomes 95, becomes 90, becomes 85. The person down the bottom of the chain has very little opportunity. They cannot take it, but if you're a truck driver and your house is on the line you'll take it. That might mean you've got to drive back empty, but you'll take it.

That's from the top end of the supply chain looking down, Mr Buttigieg. Regarding training and enforcement, in my view the police on the roads in New South Wales are more concerned—again, as Mark Parry

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said—that Wollongong is spelt correctly than actually dealing with the issue of the safety of the trucks on the road and the way people drive around those trucks. This probably goes off a little bit, but when you go as a 17- or 18-year-old to get your licence, you have to do 120 hours.

I am aware of nowhere that says you must spend 20 hours driving around trucks and driving around heavy vehicles. Now, that's not a difficult thing to implement. But imagine if, when they got their licence, people had the experience of driving around trucks. It takes 100 metres to stop a fully loaded B-double doing 60 kilometres an hour. Most people don't understand that. Most people don't realise that if they jam on the brakes and they have a truck behind them that's fully laden, they'll end up in hospital. I'm coming back to the regulation training aspect, the training of drivers.

The other point I'd make is that licence progression in most of the States is based on a period of time. You can get your car licence, you can have that for a certain period of time and then you can come back and get a light truck licence. You can have that for 12 months, come back and get a heavy rigid licence. You may not have driven a truck in that period of time, but as long as you jump each 12-month period, depending on which particular State you're in, you can upgrade your licence. You can have people who are driving B-doubles with very little experience because they've simply filled in the necessary time periods. Again, our friends from Sutton Road Training Centre will tell you—I don't want to put words in their mouth—that some of the people they get who wish to drive shouldn't be out on the road at all. That is a longwinded answer, I'm sorry.

The Hon. MARK BUTTIGIEG: No, that's good. Thanks.

The Hon. Dr SARAH KAINE: Could I ask all of you for responses on this? As I said, we've heard a lot about what's seen as deficient training currently for drivers. I wondered if you could—maybe this might be for Mr Hill and Mr Hughes—talk about what currently is the standard training that a driver would see and contrast that with what would be best practice?

PETER HILL: Do you want to answer?

ANDY HUGHES: Sure.

PETER HILL: You go ahead with what it currently is and I'll take it from there.

ANDY HUGHES: I'm accredited HVCBA New South Wales. We operate in the ACT but we have a very firm relationship and understand heavy vehicle competency-based assessment. It's rigorous, it's detailed, and I'd like to say that we hit that mark every time. If the question is about what is the benchmark, I'd like to say that we try and hit that every time. For me to address the reference to shaping driver practice in that regard, we get all sorts and we have to establish very quickly where they're at in regard to their skills, their experience and their attitude. That is the starting point before we even enter into that training and assessment process. I've got a million-and-a-half kilometres' worth of logbooks as well, so if I'm a subject matter expert it's from practical experience. The people that I've met who come to us with an expectation that they get a licence quite easily because that seems to be the accepted practice, we set them straight very quickly. Through COVID there was a financial aspect to that—pressures to get their new job driving a truck because they lost their old job—but we're not going to shortcut or streamline that process where others may. I hope that answers the question somewhat.

The Hon. Dr SARAH KAINE: I think it answers the question about your practice, which is good to hear.

ANDY HUGHES: Yes, it's all I've got!

The Hon. Dr SARAH KAINE: We've heard a lot about—and a lot of the submissions talk about—problems with training and the training not being adequate; also international licensing, international drivers and whether they're equipped to deal with conditions on our roads. We've read that it's not good enough. I'm trying to gauge what "not good enough" looks like. Is it that you do a half-day and you do your online thing and that's it? Are there aspects that are missing? What's the general practice, and then what should we be looking to make sure is provided? That is open to any witness to answer.

PETER HILL: I might take that one. The general practice for New South Wales is, depending on the licence class you're going for, but say you're going for a medium rigid licence—and correct me if I am wrong, Andy—a driver can come in and ask to be assessed for their licence. We will undertake that assessment, which lasts an hour and a half, and then with that completed paperwork they can go to Service NSW, or whatever, and have their licence issued to them. That's basically without any training whatsoever. That's the possibility. To help out with that process for everybody, I'll just explain a little bit about what we do very quickly. We won't do that. If somebody comes to us, we insist on doing a two-hour training session with them to start with, just to see where they are at.

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I touched on earlier that we are really fortunate in the facility that we've got. We've got a driver training circuit 2½ kilometres long, which is purpose-built for driver training for police, but it serves what we need as well. So we will take them for a drive around that track in our trucks to start with to see where they are at. Andy and the other senior trainers will give a really good assessment at the end of the two hours and say, "You are not ready for assessment", "You are ready for assessment" or "What you are ready for is further training" or "In my opinion, I don't think you are there today. What you really need to do is to go and do some training elsewhere first. Get some time behind the wheel and then come back and see us again. We will give you some more training and an assessment." If I were to do that for John Smith, who came in on Monday, and my team were to say to him, "Look, you're not ready yet," if the pressure is on him to get his licence, there are dozens of RTOs—and I could point him in the right direction, which we wouldn't do. He could go to another RTO, pay an extra \$800 and he will pick up his paperwork that afternoon and then be able to progress that through to his licence.

The Hon. MARK BUTTIGIEG: This is not isolated to the trucking industry, by the way, as you would know.

PETER HILL: No, it is not. So that is where the training is at. How do we fix that? I think that's a long process. We have the same problem with grey nomads at the moment, towing caravans around the country. Particularly in Canberra, where we are located, we find public servants who have finished up at 55 or 60 after a long career in the public service, with a good CSS or PSS pension, a big lump sum. They buy a big four-wheel drive, a big caravan and head off down the highway. They need training, and we deliver that training to them as well. But, again, that is not regulated. It's a regulation thing, I suppose. But certainly the training of heavy vehicle operators, we believe, needs to move forward, needs to grow.

The Hon. MARK BANASIAK: My question is associated with what we are talking about here. As an industry, or even yourselves in particular, Mr Hill and Mr Hughes, when was the last time you went through a performance audit with ASQA?

PETER HILL: We are due for an audit next year.

The Hon. MARK BANASIAK: Is that just you or is the industry being audited more broadly, in terms of RTOs that are providing the heavy vehicle training? Is it just you or, to your knowledge, is ASQA going through all of you?

PETER HILL: No, what's happening next year for us, in particular, is that our period of registration will come to an end and we will have a 12-month audit period. So ASQA will come through and audit us. They will look back over our records to make sure that we've been compliant. All RTOs are required to self-audit every year, in any case, and there are a number of steps throughout the year where you need to report back to ASQA. But ours is just in relation to our—

The Hon. MARK BANASIAK: I am reasonably familiar with the process, but I just know the performance audits, when they come in and give you a good once-over, are quite often very few and far between and can vary.

PETER HILL: They can vary, yes.

The Hon. MARK BANASIAK: In your submission you quote from the Australian Drivers Trainers Association where they talk about being able to chum people through in five hours. I think you put that in there to highlight that that is not what you guys do. But it seems to me, if you've got people knowingly doing that—and they are quite blatant. I've seen the advertisement: "We can put you through and get you a Medium Rigid in four hours." Why aren't ASQA picking up on it? If the industry is picking up on it, and people like us are picking up on the fact you've got these shonky RTOs, why aren't ASQA picking up on it? It's probably not a question for you, but more of a comment.

PETER HILL: I can answer it for you in the sense that to be a heavy vehicle assessor for New South Wales, you can simply be an assessor. You don't need to be an RTO. That training doesn't have to take place. And attached to the training for the licence class that you're going for—there's not necessarily a national qualification attached to that. Currently we do that. I'm not trying to sell TISC, but TISC is the RTO. We attach a qualification to the licensed training as well. That means that our training then has to be longer and better because it is regulated. But most RTOs that we've checked into don't necessarily offer that qualification. They offer the training if needed, but they offer the assessment more than anything else. Again, the assessment is where the money is. For an RTO that is commercially looking forward to make the money to build their business, they'll do the assessment.

The Hon. MARK BANASIAK: Essentially, I could go to someone who drives a truck and they could give me a couple of hours behind the wheel, teach me the basics, and then I could go and get assessed by one of these—

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PETER HILL: You could go to any registered assessor and be assessed, yes.

The Hon. SAM FARRAWAY: Mr Ryan, to your point about the time—it's a very good point because that is the way the system is structured now. But in a perfect world, how do you think a competency-based system should look? To your point, it shouldn't matter about age. The specific theme I want to put to that question and with your answer is around the industry having the pressures of not having enough new drivers coming through the pipeline. And making trucking look attractive—maybe for school leavers, who could be very competent in a short period of time, and may be better drivers than that guy or that lady or whoever who gets a combination licence after a couple of years, who has probably had very little experience.

PAUL RYAN: I'll start with a little bit of history. In 1972 I obtained my driver's licence with 10 lessons from a driving instructor—essentially 10 hours. Now you can't get a driver's licence until you do 120 hours of properly supervised training. Back in history, a lot of people who are now getting towards the end of their working life in the transport industry spent time with their father in the truck because that was what was done in those days. That's no longer—except in very few circumstances, it doesn't happen anymore. So they had a passion for the industry. We need to generate that passion in the kids that are leaving school.

You work in the transport industry—it's a hard industry. Basically you're expected to work between 48 and 52 hours a week, and that is a by-product of the fact that perhaps the wages are too low and so over time it becomes important. But, equally, if somebody wants to be—you can get a pilot's licence in this country, I think, at 16. So you can fly a plane, but you can't drive a truck. NTI, National Transport Insurance, will now issue insurance policies so that a driver in their early twenties, 22 or 23—they will insure them to drive a B-double. But that has also been very much an issue in the past. If we can develop a career path so that children coming out of school can see, and both male and female coming out of school can see, that, yes, we can learn, we can join this industry and we can see our future in the industry, as a society we will be a much better place. It's not as simple as simply going and picking kids as they finish year 10 or 11, or these days it seems to be year 12.

The industry is taking steps to develop an apprenticeship in conjunction with the Federal Government, and we hope that that would have some nationwide application so that people can come in at—and it's not just about training to be a driver; it's training for the industry. Driving is simply one component of an enormous industry. There are loaders. There are schedulers. There are managers, ops managers. There are people with human resource skills. We've got to also help people with mental awareness, mental health awareness skills. As an industry, we don't do that very well. Some companies will have some training around mental health awareness, but I'm pretty sure that most of the RTOs don't run any training around mental health awareness.

Now bear in mind that a long-distance truck driver is someone who is broadly defined as someone who drives more than 500 clicks. Most of the freight, about 90 per cent of the freight in Australia, doesn't move more than 100 kilometres from where it's imported or manufactured, so only about 10 per cent of freight is moved by long-distance road transport drivers of the road freight. That's what everybody thinks the transport industry is; it's moving freight from Melbourne to Sydney or Melbourne to Brisbane or wherever it might be. That's only about 10 per cent of what goes on road. Most of it is moved around Sydney, Melbourne, Brisbane and the metropolitan areas. So again, that's a completely different context to which we hope some of the kids coming out of school can aspire to.

The Hon. SAM FARRAWAY: Obviously trying to move towards competency and away from a tick-the-box time line process. In consultation I had with industry in the last term of Parliament in my previous role, a lot of stakeholders in the industry said to me that you need to lock in a younger person at 18 out of school, lock them in with the same trucking operator, same organisation, for a period of two years so you could make sure that over that period of two years that they came out an accomplished transport operator. Would you agree?

PAUL RYAN: And hopefully an apprenticeship system will deliver something along those lines.

The Hon. SAM FARRAWAY: But you would agree with that?

PAUL RYAN: I would agree with that wholeheartedly.

The Hon. SAM FARRAWAY: What is your understanding of industry buy-in for this? A lot of people think when you have the youngest driver on the fleet or the one that is the least experienced, you put them in the oldest truck because they're not too hard on the gear and they can learn in that when, in actual fact, I think the industry has probably evolved so much since then when we've heard the likes of Ron Finemore Transport, who probably has the latest tech, the telematics. They've got everything in these trucks now because you've got, with the load—what's in the back of the truck and the value of the truck—\$1.5 million. They're large amounts of money. Do you think that that has changed throughout the industry now and there is enough industry buy-in for a competency-based framework and some form of apprenticeship?

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PAUL RYAN: On the spectrum we're probably about 65 to 70 per cent along the line moving towards the end that you're suggesting is most beneficial. You will always have a group of owner-operators who want to do their own thing and they will do their own thing, but the Finemores, the Tolls, the larger companies, they're beginning to understand that the culture is changing and you've got to bring in people and bring them along on a journey with that particular company.

The Hon. SAM FARRAWAY: This question is for any of our witnesses. It's around the accreditation of a potential apprenticeship or competency-based driver program or apprenticeship. A lot of people have said to me that if you're going to have a competency-based system, you've got to have someone who is properly accredited to do it, not just any training organisation. I would probably be interested in on any of the witness's views on this around what that would look like, especially if New South Wales were to trial something like this or the Federal Government comes with some form of apprenticeship scheme. It can't just be any RTO; it has actually got to be ones that are specialised. They are actual truck drivers that can do the accreditation, based on being a competent heavy vehicle truck driver. What sort of RTO—or what are your thoughts on that? There are concerns in other models that have been looked at in other States that if you don't get that part right, the whole thing will fail.

SIMON EARLE: Can I answer that? My view, with experience from apprenticeships in other industries, what you need—I'll just skip back. Firstly, with an apprenticeship, if you're looking at attracting young people in, it's really worth having a look at school-based apprenticeships so that people can start off with the knowledge components as appropriate or some of the practical stuff while they're actually at school. If it's not necessarily a person who is really engaged with school but they want to join the transport industry, you're killing two birds with one stone and they are one step closer to achieving that goal before they get out of the school system.

In terms of RTOs and training, as the gentlemen here spoke about, you really do need people with industry experience. What TEACHO looks for is people who can actually get into a room and train people and who have the industry experience and the knowledge, which is not easy to impart if you don't have that sort of experience. The other component would be the regulation. I mean, ASQA has got a job to do, but, in my experience, ASQA is really interested in pieces of paper and looking at the compliance that way, not so much how good or how effective that trainer might be or even really the detail of the course content. It's more about complying with pieces of paper and ticking certain boxes.

It's industry-experienced trainers, a different regime of regulation, maybe something that sits in parallel with ASQA but is really very transport-specific. To get these people through, in my view, what needs to be done to make things effective is engaging other industry-experienced people as mentors so that people don't fall out of that system. If you look at attrition rates for traineeships and apprenticeships, in a lot of industries they're around the 50 per cent mark, whereas if you actually invest time in people to get those young people through—even if they're older people coming back, they need someone to help them through that process. That's an important component of any training to be successful.

PETER HILL: I might add to that too, if I may. I think we're right: There needs to be industry buy-in to start with. That's where it focuses. We've had conversations with some of the bigger operators—Finemore and others. Not only do they struggle to find drivers, they struggle to find driver trainers for their own industry. The smaller operators can't afford to have their own driver trainers. So I think there's a gap there.

If we think about the model that Finemore and the bigger industries have—for example, we could train somebody to a licensed standard. They get to Finemore, and then Finemore want to check their competency in relation to what they want them to do. The smaller operators can't do that. So there's a gap there as to what we do with the smaller operators when they get somebody. They advertise for a driver and they get a driver. How do they assess them? They don't have the driver trainers. I think there's a gap there that needs to be filled, and that's probably not in the apprenticeship space.

For the apprenticeship, there has to be the industry buy-in. As you mentioned, that the trainers and the RTOs have to be specialised within that. We've just kicked off a program. We recently applied for some Federal funding for a transport road safety program, where companies would select drivers who they think would make good trainers. We'll take them on board for a 12-month period and train them up to a standard that we wanted them to so they could become driver trainers. We've just kicked off the new cert IV in heavy vehicle driving instruction and we're training—well, Andy, you could expand on where those drivers are coming from.

ANDY HUGHES: From all round New South Wales, but also some of your colleagues and the ACT, we've placed a foot in each camp for training and for road safety to develop an industry-specific, competency-based system based on ASQA qualifications but with a clear understanding that, during that, you're going to be engaged with industry. We've got companies that want to be involved because they don't have the training capacity, so they invest in us. Students will be exposed to concrete trucks, rubbish trucks, towies and

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industry reps that want to come and be involved. So they get that hands-on, practical experience while they're with us, and then they go away and do the online theory training, and then they come back and do more practical.

I see the improvements. I see the industry engagement helping build competency and understanding of what's required. Most of the time, as I said before, when I'm licensing, someone comes to me desperate for their licence. We help them through and, if they're good enough, they get their licence. Away they go and try to get the job, and let the industry look after the industry induction side of that. I have no control over that, but I can help at the front end. I hope that's answering the question. But trainers who are qualified and have industry experience to help students come through—who are also exposed to industry in a real, hands-on way—will go a lot further than watching webinars or doing simulation.

The Hon. JACQUI MUNRO: I have a question about insurance. We've heard a little bit about how it's very difficult to get young people, particularly under the age of 21, insured; yet they can get a pilot licence. How can that barrier be overcome? Are there people working with insurers? What are the primary reasons? Do you deal with any young drivers in your training centre? Do you have any commentary on how that can be progressed?

PAUL RYAN: The major insurer in the transport industry is a company called National Transport Insurance, referred to as NTI. They cover—and I'm guessing—55 or 60 per cent of the transport insurance needs, particularly from a vehicle public liability perspective. The way the licensing system works is based on time. Essentially, you can't become a big B-double driver until you're about 24 or 25. There are a number of steps you have to go through over a 12-month period. But they've been prepared to look at younger B-double drivers in some respects and provide insurance for them. If they can do it—and that's based on the competency of the driver and being properly licensed—then I think other insurers can do that as well.

The Hon. JACQUI MUNRO: So it's case by case at the moment?

PAUL RYAN: It's case by case at the moment. For the Committee's information, every year NTI put out a document which is based around the major accidents that they get involved in. They define major accidents as anything that costs more than \$50,000 to repair. This report has been going for about 20 years, and their last report indicated that the major factors in truck accidents are inattention and distraction; inappropriate speed; inappropriate vehicle positioning, which is driving too close or wrong side of the road; inadequate following distance; and fatigue. I notice fatigue is in your terms of reference. Fatigue accounts for about 8 per cent of those major vehicle accidents. About 40 per cent of crashes that they apportion to fatigue occur in remote areas and most occur between midnight and 6.00 a.m. But I just finish off by saying—and this is important—the truck is not at fault in 70 per cent of those truck-car crashes. It's important to understand that in seven out of 10 times, it's the car driver's fault. These are examinations that occur after the accident, but I suggest that the NTI report is worth a read.

The Hon. BOB NANVA: There is a unanimous view that there are real shortcomings in the comprehensiveness and the integrity of training in the industry. I'm assuming a lot of that is due to the underwhelming approach to competency and assessment in the driver competency framework. Have you been involved in Austroads' review of the framework, and what are your views on the recommendations to come out of that review in terms of the path forward? Are there any further shortfalls that you can see in terms of the trajectory that Austroads is taking the framework in? That is a question for any or all of you.

SIMON EARLE: We haven't been involved in that ourselves.

PETER HILL: No, neither have we. No, we haven't been involved either.

The Hon. BOB NANVA: Okay. Is it unusual for reviews of the framework to be undertaken without broad-based industry consultation?

PETER HILL: I think it would be. I would say that the relationship between us and Transport for NSW is pretty strong. That's shown in the fact that we've got some people in the Cert IV from Transport for NSW. I think our relationship is pretty strong. They've got a good view of what TISC does as an RTO and what Sutton Road does as a training organisation. There are a couple of other organisations around the State that are also held fairly highly, and I would have thought that they would have been involved in that. Certainly their views would have been sought, much the same as our views are sought here for this inquiry. I thought that would have been an important thing, so I'd find it unusual.

PAUL RYAN: I would add that we have the National Heavy Vehicle Regulator now, which is gradually absorbing the State enforcement bodies. We have the National Transport Commission. The regulator deals with the regulations and enforcement, and the National Transport Commission deals with policy. One might say they're missing in action.

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The CHAIR: We have run out of time for this session. Thank you very much for appearing today. If you've taken any questions on notice the Committee secretariat will get in touch with you. The same goes for any supplementary questions members may have.

(The witnesses withdrew.)

(Short adjournment)

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Mr PETER McALPINE, Chief Technology Officer, Netstar Australia, sworn and examined

Mr MICHAEL EMANUEL, Managing Director, Netstar Australia, sworn and examined

The CHAIR: Welcome to our next witnesses. Would you like to make an opening statement?

MICHAEL EMANUEL: Yes. I have 25 years' experience in developing telematics for myself, and typically for Peter as well. Netstar provides, for the transport service, telematics for the emergency services, transport utilities, local government and State government industries. A key aspect of our solution is real-time event and speed data and AI cameras for driver management. That covers off distractions, seatbelt use, fatigue, phone usage, forward-facing for headway warnings—driving too close to a vehicle—and speed, pedestrian and collision warnings. We provide navigation for height alerts, speed alerts and parking bays which are being approached. We do a lot in the driver behaviour report, looking at how drivers drive, awarding drivers for good driving behaviour as well as bad driving behaviour, and being able to manage putting those people on driver training courses.

We are certified by the NHVR for electronic work diaries, an electronic way of recording driving hours with alerts for rest breaks due, alarms where their rest break has been breached, when their next rest is due, and when the next 24-hour rest and the next seven-day rest is due. All of the above is monitored in real time. Transport operators can see what their fleet and their drivers are doing in near-real time, so they become part of that compliance and chain of responsibility. I believe the above addresses some of the issues that were stated in the previous witness' statements about driver behaviour and the NTI reporting of accidents.

The Hon. CAMERON MURPHY: Isn't there a risk when you have AI flashing warnings at you—and I note from your submission your examples—for things like collision risks, smoking, yawning—whatever—and that environment is going to create even more anxiety for the driver? When they're trying to concentrate on driving, at the same time as that they've got a screen in front of them telling them you've done something wrong here or something wrong there. How would you alleviate my concern about that?

MICHAEL EMANUEL: There are two ways to alleviate that. It also has spoken alerts. As opposed to having to look at a display, it actually warns you that you haven't got a seatbelt on or you're fatigued in a spoken way. The in-vehicle display gets turned off in some cases while driving, so you can't use the navigation and you can't use those functions. But it could be a distraction from looking at a display, but generally the voice is not a distraction.

PETER McALPINE: To add into that, we're trying to make it as driver-friendly as possible so that they're not being distracted by stuff. But some of these things are built into your modern family car nowadays. It's just we're adding it in as an optional extra for trucks now that don't come with that. Generally speaking, they're doing the wrong thing. Once they start to learn to do the right thing, they don't get those distractions. Just ease of doing things as well—it will give them a warning when they need to get a warning.

The Hon. CAMERON MURPHY: You don't think there's a general risk that somebody might make an error or a mistake because they're so worried about not being pulled up by your AI system? While they're doing that they're not focusing on what they should be thinking about, which is the road, other drivers or backing up the truck or something. You don't think there's a risk there that that anxiety creates a problem in itself?

MICHAEL EMANUEL: I think it's more of an aid to them. It's an aid to advise you that you're travelling too close to a vehicle in front or it warns you in the case of a collision. If you use the example of you're driving along and you sort of get distracted or you're playing with the radio and all of a sudden a collision warning comes up, it alerts you to do something, whereas you wouldn't be alerted otherwise until you hit that or had that accident.

The Hon. Dr SARAH KAINE: I guess this is a related question, and I asked a similar one of an earlier witness. In some of the other submissions it's been suggested that some drivers are worried about the use of data that's been collected for things that it wasn't intended to be used for. I think you mentioned that the capacity is for 24/7 real-time surveillance. I think Mr Parry from Finemore said, "Look, we're not doing that," but there is the potential for constant surveillance and the use of the data that is collected for disciplinary or other actions that could concern drivers.

MICHAEL EMANUEL: That is the case. I stand in front of a lot of unions, especially in the local government and the State government that are very heavily unionised, that have the same concerns that it's Big Brother; that you're watching me. A lot of that is alleviated in their enterprise agreements that they have on how the data can be used. But I also talk about all the good news stories. There are more good news stories where the actual data has helped the driver in the case of an accident or speeding fines. There are more good news stories

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than bad news stories. In the heavy vehicle industry, typically the driver is guilty until proven innocent. The telematics data helps cement whether that driver has done the right thing or the wrong thing.

The Hon. MARK BANASIAK: In terms of your company and data, I note that you say that it's electronically sent and saved. Who owns the data? Say I want to subscribe to your service as a trucking company, do I own that data or do you still have access to it? Do you have some level of proprietary rights over the data that's being collected in my trucks?

MICHAEL EMANUEL: Yes. We have the data, but the data is owned by the customer. They own the data. The data is all stored in Australia; it's not provided in overseas servers. That's part of our government requirements for our government customers.

The Hon. MARK BANASIAK: Okay.

MICHAEL EMANUEL: But we still have access to that data, yes.

The Hon. MARK BANASIAK: We've heard a lot about the costs of implementing new systems and changes to the industry. Obviously some of the bigger players in the industry can absorb some of those costs better than the smaller companies. Can you give us a bit of a sales pitch? To put some of this stuff into a small to medium operation, is that going to be financially prohibitive? What's the price range for some of this sort of stuff?

MICHAEL EMANUEL: To answer that, most of our customers are all the small to medium enterprise-type customers, both commercial and in that space.

The Hon. MARK BANASIAK: So what would be the online diary?

MICHAEL EMANUEL: The electronic diary is \$5 a month to \$10 a month per driver. It's not excessive. The AI cameras, you're looking at around \$59 a month per vehicle. It's on a rental basis so it's not a heavy capex, up-front cost for customers. We try to minimise that. Technology pricing has come down significantly from the 2000s to currently now in 2023. It's affordable. Also, we're working with insurance companies to get rebates where if they've got telematics in there that are monitoring the drivers and monitoring the vehicle's speed, it helps with their insurances. There are cost savings there. Australian insurance companies have been very slow to do that for user-based insurance, but it is happening.

The Hon. MARK BANASIAK: And because you're essentially renting or you're leasing the equipment out, I'm assuming that as new technology comes in that is probably more advanced and you're able to essentially take them out and replace old with new. Is that the principle?

MICHAEL EMANUEL: Yes, that's correct. The other area, too, where we've found a lot of cost savings for transport operators is in their maintenance and fuel costs. Because the driver's been monitoring for speed and driver behaviour they tend to drive better, so therefore their fuel costs come down and their maintenance costs come down. We've seen that significantly in local government, where they've got heavy vehicles as well. Those cost savings are by far more than the actual cost of the telematics hardware.

The Hon. MARK BANASIAK: Have you got any quantitative data around those cost savings that, on notice, you could provide?

MICHAEL EMANUEL: Not on notice, but I could give you some examples of customers where they have found those benefits.

The CHAIR: In terms of the quantitative data—

The Hon. MARK BANASIAK: So what's the average cost savings someone is making?

The CHAIR: In terms of what he's providing on notice, because he said that the research has found that that makes a difference—is that what you're providing?

MICHAEL EMANUEL: Not the research; we haven't done the research ourselves. It's only feedback from our customers directly saying that that is what is happening, but we haven't done any research ourselves.

The Hon. MARK BANASIAK: They're not giving you any quantitative figure saying, "It's saving us 100 bucks of fuel a month" or anything like that?

MICHAEL EMANUEL: Not in that quantitative amount, no.

The CHAIR: I was thinking in terms of the driver behaviour data, though, as well. It's just feedback?

MICHAEL EMANUEL: That's just feedback from it, yes, exactly.

PETER McALPINE: There are studies and the like that we could probably provide if needed.

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MICHAEL EMANUEL: A lot of our clients are the utilities, like Energy Queensland, Ausgrid and Endeavour, which also have a high level of heavy vehicles. They are very concerned about driver behaviour, utilisation costs, but also making sure that the driver gets home safely in the case of an accident or crash or fatigue. We are a little bit different to the transport sector that you're talking about, the line haul, but definitely for the commercial operators that do under 150 kilometres outside their home base, telematics is used very heavily for that safety component.

The Hon. JACQUI MUNRO: Thank you so much for coming today. It seems to me that the implementation of this kind of technology leads to better accountability throughout the whole chain of responsibility. One of the things that we've heard about from drivers and some of our previous witnesses is that truck drivers are being put under not just immense pressure but actually unachievable pressures in terms of their time lines—how long they have to get between points A and B. Is this technology helpful in understanding the reality of how drivers can manage their time and fatigue and speed? Speed, time and distance are all very easily measured by your technologies. Have you been finding that companies have been changing their practices or drivers have been giving feedback that says, "This is helpful to essentially make our case that we are putting in inappropriate hours," or "Our distances are unachievable"?

MICHAEL EMANUEL: To answer that, under the chain of responsibility law, it has pushed transport operators to be compliant, which I believe has helped the drivers. If the driver has an accident and has been pushed to go and do extra hours, it's not only the driver; it's the transport operator. So that compliance helps regulate the industry, as well as the electronic work diaries that NHVR has put in. I believe it's a help for the drivers and the transport operators in running their business. Unfortunately, it doesn't get some of the cowboys who don't have the technology and who may have accidents or drive their drivers too hard. But, yes, it definitely does help change the culture of the industry.

The Hon. JACQUI MUNRO: Do any of your clients or even yourselves share data with government to help with policymaking around safety?

MICHAEL EMANUEL: Yes, we do. We are part of Transport Certification Australia. We are accredited. The data gets shared with them. It is anonymised data in the case of the TMA, so they don't know what transport operator or what driver is doing it. But we do share that data with them. Under the IAP it is shared, so what vehicles are driven over—more for road infrastructure than for driver behaviour.

The Hon. JACQUI MUNRO: Would you think it would be a useful move that operators are essentially required to share their data not just with the TCA but with government departments, State and Federal, directly?

MICHAEL EMANUEL: I think it would. It also comes under what ACT transport is doing, which is road usage monitoring and road usage charges. So if you combine all of that technology for road usage, driver safety and compliance into those governments, it makes sense.

The Hon. JACQUI MUNRO: In terms of the take-up of this kind of technology across the industry, could you estimate how many companies or maybe even how many drivers are using this technology in their vehicles?

MICHAEL EMANUEL: It is more driven by the transport operators than the drivers. It is very rare. We do see some drivers who want the electronic work diaries, but it is more driven by the transport operators so they can monitor their fleet in real time. Because of those chain responsibilities, they want to make sure that they're not sending drivers on a route where they should be having a rest break. For take-up, I would say there's probably, on a guess, around 50 per cent in the transport industry. Transport has been the early adopters, and you find now that utilities, governments, local governments are taking up this technology for that driver safety component.

The Hon. JACQUI MUNRO: Are there any differences in State or Federal regulations that you think could be harmonised in a national framework?

MICHAEL EMANUEL: Only in need from the National Heavy Vehicle Regulator in the west, where they have different driving hours and logbook requirements. The NHVR has been good in bringing that all in under one platform on the eastern seaboard. I think if that continued it would be the right way. But, yes, Western Australia is the only one outside of the rest of it.

The Hon. JACQUI MUNRO: The Ron Finemore Transport Services submission spoke about this kind of technology potentially leading to a system of driver regulation that relied less on firm requirements like "after this many hours you have to take this much of a break", and more on individual management of fatigue, for example. Do you think that could be an outcome from proper use of this technology?

MICHAEL EMANUEL: Yes, definitely. One of the things I think could be good is health-monitoring watches, where you are actually monitoring the health of the person. Apple have done something, and we are

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doing something as well. The problem there is the privacy issue, I believe. That would be the issue getting that across the line. Do I want my boss knowing that I have high blood pressure or that I have diabetes or sleep apnoea—those sorts of things.

The Hon. JACQUI MUNRO: You probably want your boss to know if you've got sleep apnoea.

MICHAEL EMANUEL: Yes, definitely. But I can guarantee you that most transport operators wouldn't know.

PETER McALPINE: I would just add to that, if I could. One of the things with our camera technology and the AI is that it is starting to actually bring more of the data together and build a story out of it. So instead of just a single forward collision warning or a lane departure warning, it is looking for a pattern occurring. And it will see that pattern and go, "Oh, hang on a second. You've got a problem," rather than somebody having to try to work it out themselves. The AI part of this technology is also starting to assist with early warning that fatigue is going to impact the driver's behaviour.

The Hon. JACQUI MUNRO: Do trainers incorporate your technology or technology that is similar to yours in their training modules? Are drivers taught how to use the technology to the best of their ability and to the best of their use and benefit?

MICHAEL EMANUEL: I think that's probably part of what is lacking. I think trainers need to get more involved in understanding the technology and how the technology can benefit the drivers. That is probably the biggest gap we find. Drivers always think that it is against them as opposed to saying it is assisting them. We do have some—not so much in our utilities—where they are working after hours, like Ausgrid, for example. Some of their managers are saying we want this because we are working night hours; we need this assistance. It is an education process.

The Hon. JACQUI MUNRO: I have a couple more questions, but I will just ask one in particular. It is around rest stops. We have heard a lot today about how rest stops can be perhaps planned better in terms of their locations or even the kind of facilities that are required at different types of rest stops. What kind of data do you collect that you think could be useful in planning for better rest stops across the State?

MICHAEL EMANUEL: There are two ways to answer that. One is that we could look at how many times people or drivers or vehicles stop at those rest breaks and for how long, and produce data on that over whatever period. So that would then be a tool that could be given to Transport for NSW for saying, "We need a larger rest stop at this location." That's one way of doing it, is assisting. In the vehicle we can have in there that a rest stop is coming up. This is a B-double rest stop 300 metres ahead, just like your navigation turn by turn. That could be assistance.

PETER McALPINE: I know NHVR are starting to try and build a map set for at least the roads network. If they could have the places the drivers could stop in there as well, because we can certainly bring that map data into our systems, then the EWD application could say, "You need a rest and it's three kilometres down the road."

The Hon. Dr SARAH KAINE: We've heard a lot today about the economic pressures in the industry and we've heard from some transport operators who operate at a higher level in the industry, and you've mentioned those that are adopting the technology and those that aren't. Aren't we in danger of further creating an uneven playing field where the better operators are investing in this technology, they're doing their fatigue management through it and even leaving that space of the others even more free for them to undercut? I'm just concerned that you bring in a level of technology which is great in terms of assisting with safety but I'm worried about the further uneven playing field which rewards accepting poor contracts and poor conditions for drivers.

MICHAEL EMANUEL: As I said before, it's affordable technology for a start-up person as well as a large enterprise.

The Hon. Dr SARAH KAINE: As long as you want to follow the regs.

MICHAEL EMANUEL: Exactly, yes.

The Hon. Dr SARAH KAINE: That's what I'm saying. So if you want to follow the regs and it's affordable, that's great, but there's going to be this large chunk, unless something is mandated, who are going to do whatever—

MICHAEL EMANUEL: There is a lot of contracts now, say Woolworths or Coles—I'll use them as an example—that are saying part of your transport delivery to us must have telematics in there.

The Hon. Dr SARAH KAINE: Does that go down the supply chain? That goes to whoever they subcontract to.

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MICHAEL EMANUEL: Yes. If you look at, for example, Rio Tinto and the mining industry or BHP, you can't get onto their sites without having GPS telematics and they've now upped that to video telematics only recently in WA.

The Hon. Dr SARAH KAINE: They're a bit of a niche player.

MICHAEL EMANUEL: Yes. I know they're a niche, but the industry does do that and the more contracts, the larger and smaller enterprises start saying, "We need telematics as part of that", and they're doing it because it is part of that chain of responsibility so they can make the transport operator accountable to say, "Show me all your vehicle pre-start checks of the vehicle" or "Show me the driver logbook prior to that person coming on site or going and doing a delivery for them."

The Hon. Dr SARAH KAINE: I guess it's interesting because the dilemma is the top of the supply chain want to do that so they protect themselves should anything happen.

MICHAEL EMANUEL: True.

The Hon. Dr SARAH KAINE: They're not doing proactive enforcement to make sure that their contract is fair in terms of what they pay and the time constraints. So they want to impose the time constraints but also cover their own interests should something go wrong. So it doesn't really alleviate the pressure for the driver at the bottom of that chain, does it?

MICHAEL EMANUEL: No.

The Hon. Dr SARAH KAINE: It just provides cover for that already very powerful top of the chain to say, "I told you to have those telematics in there. Let's have a look at them," and it will still be the driver at the bottom for whom the data gets used.

MICHAEL EMANUEL: Yes.

The Hon. Dr SARAH KAINE: So good protection for the big companies.

PETER McALPINE: Possibly it's something like what TCA have done for the heavy vehicle industry, the long haul stuff and the very oversized vehicles that they start mandating it. Maybe it needs to be a government regulation thing.

The Hon. JACQUI MUNRO: I was going to ask about your relationship with police because we heard earlier that there might be some misunderstanding or a bit of a knowledge gap between the new technologies that drivers are using and what police are aware of in terms of checking logbooks, which was an example that was given earlier. Do you work with any enforcement authorities to inform them about your technology?

MICHAEL EMANUEL: No, we don't. The only time I get called up is in the event that the police want to use the data in an accident, and I talk in court about how accurate the technology is. But we are not actively working with any of the law authorities, other than NHVR uses our telematics in their vehicles. I think it's up to them to educate the police and the authorities themselves.

PETER McALPINE: I know NHVR—certainly with the electronic work diaries there's an approved page on the application that all providers have to do exactly the same. So they educate the roadside enforcement officers that when they grab the EWD tablet out of the vehicle they press a certain button and they get the same view, whether it's Netstar or whether it's somebody else. Bodies like NHVR are probably a better—they've got the closer ties with roadside agencies.

The Hon. JACQUI MUNRO: Finally, are there other States that are doing things better in any way that you are aware of that New South Wales can pull its socks up on, or is it really that the move towards a national framework is the end point?

MICHAEL EMANUEL: My personal opinion is that a national framework is the way to go. I can't say that any other State is doing anything better or worse than each other. I personally think it needs a national approach.

PETER McALPINE: Yes, same.

The CHAIR: We have exhausted our questions for you. Thank you very much for appearing. I think you may have taken some questions from Mr Banasiak on notice. Was that maybe providing some of the data—

The Hon. MARK BANASIAK: I don't think you had. It was all anecdotal, wasn't it?

MICHAEL EMANUEL: It was all anecdotal, yes.

PETER McALPINE: We could provide a case study, but it's still anecdotal.

CORRECTED

The Hon. MARK BANASIAK: Perhaps, on notice, if you provide a case study, that would be good.

The CHAIR: Thank you. The secretariat will be in touch with you about that. Thank you for appearing before today's hearing.

(The witnesses withdrew.)

CORRECTED

Ms SALLY WEBB, Acting Deputy Secretary, Safety Environment and Regulation, Transport for NSW, affirmed and examined

Mr SCOTT GREENOW, Acting Executive Director, Freight, Regional and Outer Metropolitan Division, Transport for NSW, affirmed and examined

Mr PAUL SALVATI, Chief Operations Officer, National Heavy Vehicle Regulator, sworn and examined

The CHAIR: Welcome to our last witnesses for today's hearing. Would any of you like to make a short opening statement?

SCOTT GREENOW: Yes, I would. Transport for NSW and the National Heavy Vehicle Regulator thank you for the opportunity to appear as a witness at this inquiry. The role of heavy vehicles in moving freight is substantial and will continue to grow to meet increased future demand. The New South Wales road network currently carries approximately 60 per cent of the total freight in New South Wales and 80 per cent in Greater Sydney. Transporting freight within New South Wales and Australia more broadly is not without challenges. Heavy vehicle drivers often undertake long hours of travel. The truck, the road and accessible rest areas are their workplace. Fatigue is one of the top three behavioural factors for heavy trucks involved in serious crashes on New South Wales roads. Tragically, 59 people in New South Wales have lost their lives from crashes involving a heavy vehicle this year alone, with 10 lost in a single crash.

The New South Wales Government is committed to an ambitious but achievable target of halving deaths and reducing serious injuries by 30 per cent on New South Wales roads by 2030. The New South Wales *2026 Road Safety Action Plan* outlines proven initiatives which can move New South Wales closer to our target, including identified actions to improve heavy vehicle safety, particularly through supporting the adoption of new safety technologies. In addition to complying with regulations relating to driving hours and mandatory rest breaks, heavy vehicle drivers need rest stops to manage fatigue and wellbeing. Heavy vehicle drivers use these facilities to rest and access essential services such as toilets, showers and food. Rest areas are also used for waste disposal; swapping drivers or shuttling; and refuelling, marshalling and staging journeys.

Transport for NSW maintains a network of rest areas under an asset services plan. Currently, there are over 1,350 heavy vehicle rest stop locations across New South Wales. The New South Wales Government is aware of the difficulties heavy vehicle drivers face when trying to find a safe and suitable area to rest, park, shower and access services. Therefore, the Government is committed to working with the road freight industry to improve the number and quality of heavy vehicle rest stops across New South Wales. An audit of heavy vehicle rest stops across 15 key regional routes in 2018 identified there are inadequacies in the provision of heavy vehicle rest stops across New South Wales. Inadequacies include the distance between sites, a availability of parking spaces for heavy vehicles and a lack of extra-large parking bays designed for high-productivity vehicles.

Additionally, Transport has commenced a desktop investigation of the heavy vehicle rest stop spacing gaps and parking capacity shortfalls along the urban national land transport network. The assessment will assess travel time between existing rest stops for heavy vehicle trips through Greater Sydney and trips with an origin or destination in Greater Sydney. In response, Transport is developing a heavy vehicle rest stop improvement program strategic business case to improve heavy vehicle rest stops across the regional State road network, and outputs from the desktop exercise will include indicative locations for new or upgraded heavy vehicle rest stops along the urban national land network.

On 1 August 2022 Transport transitioned its heavy vehicle regulator services to the National Heavy Vehicle Regulator or NHVR. This transition included services under the Heavy Vehicle National Law and enforcement of New South Wales road rules as applicable to heavy vehicles. The Heavy Vehicle Inspection Scheme is also now delivered by the NHVR on behalf of Transport, all of which are governed by a memorandum of understanding. Transport and the NHVR are dedicated to working together in partnership to support continuous improvement in the regulation of heavy vehicles in New South Wales.

In New South Wales the training requirements for heavy vehicle drivers include the Heavy Vehicle Knowledge Test and the Heavy Vehicle Competency Based Assessment. The knowledge test assesses knowledge of the road rules, including those that relate only to heavy vehicles. A person must pass that test before they can obtain a Heavy Vehicle Competency Based Assessment learner log book and enrol in the Heavy Vehicle Competency Based Assessment program. Recently, Austroads has undertaken a review of the National Heavy Vehicle Driver Competency Framework, which informs the New South Wales Heavy Vehicle Competency Based Assessment, seeking to improve the quality of the driver training and assessment to better ensure safe and competent heavy vehicle drivers.

CORRECTED

In a response to an increase in overheight incidents in Greater Sydney, the New South Wales Government established the overheight truck taskforce. This taskforce is dedicated to reducing overheight breaches, including drivers on route and load management, and improving operational responses to minimise traffic disruption when incidents occur. The joint New South Wales Government and NHVR submission outlines in more detail the initiatives that have been implemented and are in progress to support heavy vehicle drivers and the industry in reducing overheight vehicle incidents. This includes exploring new technologies and infrastructure, signage changes, enhanced operational responses, and education and communication campaigns. Thank you for your attention.

The CHAIR: Thank you so much. Mr Salvati, do you have an opening statement as well?

PAUL SALVATI: No.

The CHAIR: Ms Webb, you don't have one. Let's go straight to questions.

The Hon. SAM FARRAWAY: My first question is for Mr Greenow. It is good to see you again. I am sitting on the other side of the table this time, but it is good to see you. Within the freight branch, there was \$10 million put aside some time ago in budgets to look at rest stops. We've heard with a lot of clarity that, as part of their workplace, rest stops are a major issue for all stakeholders within the heavy vehicle and trucking sector. Could you give us a bit of an update on what Transport has done with that \$10 million? Where is it up to and have you identified truck stops or rest stops as part of that program?

SCOTT GREENOW: Thank you for your question. The heavy vehicle rest stop quick wins program is where the up to \$10 million has been assigned. The quick wins program was developed to demonstrate commitment to the road freight industry by delivering a number of improvement to existing sites. They include minor upgrades and signage improvement at 41 locations and are being delivered across regional and outer metropolitan New South Wales over two years. The completed projects so far include upgrades to rest areas at Willy Wally along the Golden Highway, Cassilis Park also on the Golden Highway and Kennedy's Gap, Chapmans Northbound, Coolongolook Ampol Northbound and Coolongolook Ampol Southbound all on the Pacific Highway.

The Hon. SAM FARRAWAY: How much has actually been done, do you think? This has been going on a little while now. We have heard pretty clearly from truck drivers and major freight operators that it's the single biggest issue. How far advanced is Transport in rolling that program out?

SCOTT GREENOW: In rolling that program out we had identified 41 locations and we've so far managed to upgrade six of those. More broadly across rest stops, it's a significant amount of work to be done outside of the quick wins program date.

The Hon. SAM FARRAWAY: The current Federal Government has made announcements and, I think, commitments as well towards rest stops. It being probably one of the biggest issues to manage fatigue, with a rest stop being a part of a truck driver's daily workplace, how advanced are discussions with the Commonwealth on trying to develop a broader and more holistic rest stop program?

SCOTT GREENOW: There is a substantial amount of opportunity for New South Wales to partner with the Commonwealth. In March 2022, through the Heavy Vehicle Safety and Productivity Program, 13 rest stop improvement programs were submitted to the Australian Government for up to 80 per cent of funding. Funding has been successful for Kiama Gap Northbound and Bundanoon Northbound rest areas and will go towards delivery costs. However, we'll obviously continue to work with the Commonwealth Government to see if there is the ability to invest in additional rest stops in New South Wales.

The Hon. SAM FARRAWAY: Of the 41 that freight branch and Transport for NSW have identified, and I know it's a quick wins program so it could be everything from replacing toilets or toilet seats to a more significant upgrade, how much of the \$10 million do you think is going to cover—how many upgrades do you think you will get done?

SCOTT GREENOW: That allotment of money identified the 41 locations that will be able to be delivered with that funding.

The Hon. SAM FARRAWAY: So on a varying scale, from very small and minor repairs or upgrades to probably in some instances larger upgrades?

SCOTT GREENOW: Correct.

The Hon. SAM FARRAWAY: So your 10 million is spread across the 41?

SCOTT GREENOW: Yes, correct.

CORRECTED

The Hon. SAM FARRAWAY: That's fine. Back in 2022 Transport for NSW freight branch and the then executive director conducted a lot of regional freight forums across the State. They were directly related to trucking companies, local government and anyone within certain regional communities where those forums were held about the future of freight movement, about fatigue and about rest stops. Has much been done with that report? What came out of that report for Transport for NSW freight branch to pursue upgrades and policy that's going to assist the trucking sector to allow them to remove some pressure? Does that report have dust all over it or has it been able to form some new policy for government?

SCOTT GREENOW: Unfortunately, I don't have the report with me to refer directly to it. However, it has been released and it featured feedback that is commensurate with all other engagements that I have been involved in with industry around the need for the critical element of rest stops, not just the provision of rest stopping locations but also the facilities that you mentioned. Without the use of flushing toilets and clean toilets and shade et cetera, they are of less value to manage fatigue for drivers. We recognise that rest stops are a key part of a heavy vehicle driver's workplace and that those facilities are required. There was a significant amount of feedback that came out of that process around the critical need for increased numbers of rest stops and availability at those rest stops. Often rest stops are utilised by other members of the travelling public and not necessarily for the ideal outcome of managing heavy vehicle driver fatigue. As I said, they also mentioned that there's a significant opportunity to improve the customer experience of the facilities at those locations.

The Hon. SAM FARRAWAY: Does freight branch continue to engage with Road Freight NSW and the National Road Freighters Association? How often would you be engaging with those key stakeholders around some of the challenges that that industry is facing? I suppose your department is the one that is closest in terms of customer focus to the freight sector in some of the issues you deal with in your team. How often would you be meeting with the key stakeholders within the road freight sector?

SCOTT GREENOW: Thank you; it's a great question. On a regular basis we have a stakeholder engagement program where we meet with some of the associations you mentioned three times a year. That's for a broad range of discussions, but naturally rest stops regularly occur as part of that discussion. Equally, as a result of the announcement from Minister Graham about the investigation for a Western Sydney truck stop, we had an industry round table on 22 September. There were 33 attendees at that workshop. They included each of the associations that you mentioned, plus many more including the Transport Workers' Union. It was a particularly valuable workshop, where once again there was a common thread of feedback from industry to say that there is a significant need, particularly in Greater Sydney and Western Sydney, for rest stop opportunities.

They highlighted the critical nature of the facilities that serve the drivers when they're there. They also highlighted that stopping locations are valuable for heavy vehicle drivers for multiple reasons, not just fatigue management. That was wanted to be acknowledged by the group so that in planning and preparation for delivery of a truck stop in Western Sydney, we made sure that all elements of the need for that location would be taken into account. Equally, we had an online survey that closed on 1 October. There were 442 heavy vehicle drivers and operators who submitted a survey. It was about a 10-minute long survey. We had 200 intercepts. An intercept is where an interview took place at truck stops with drivers directly as well. That information is still being pulled together for analysis, but the marked element that came out of it was that 98 per cent of those surveyed agreed that there is a need for a truck stop or rest stop of some sort in Western Sydney.

The Hon. SAM FARRAWAY: Just changing tack to competency-based driving, and different models and schemes and proposals, how far advanced is Transport for NSW in its discussions with the Commonwealth in and around the Heavy Vehicle National Law—maybe even with the regulator itself—in formulating a model for New South Wales or feeding into a Federal model, and what is your best guess on how far away you are in implementing that?

SCOTT GREENOW: I may pass to my colleagues at the end of this question. It is difficult to estimate the time frame. The Heavy Vehicle National Law Review commenced some time ago and it's a complex national discussion. Naturally enough, trying to get to an outcome that improves safety, sustainability and productivity so that asset owners, road managers and industry are able to get an improvement is a challenge. With the time frame, it's difficult to estimate how long it may take. Transport for NSW has investigated, in conjunction with industry, the potential for a cadetship where it is a heavy vehicle driver pathway that allows or encourages younger people to be able to access the workforce as a heavy vehicle driver. We've also considered other avenues where—there's a very low representation of women as heavy vehicle drivers in the industry, so there's a broad workforce that remains untapped. Of course, there's also the focus on being able to retain drivers in the industry. One of those things, I think, points us back to the experience when you are operating on the road. If it's not a particularly pleasant location to be resting, for instance, I think that challenges people wanting to stay in the industry. There is work for us on multiple levels to get this better.

CORRECTED

SALLY WEBB: Thank you, Scott. In relation to the National Heavy Vehicle Competency Framework, certainly Transport has been engaged in the Austroads project and review, and we have made submissions to that process regarding competency-based training requirements. We're aware that the next step is for a regulatory impact statement, but I'm unable to comment on the timing for release of that. Additionally, we are aware that for the last 2½ years that review process has been ongoing and we've been well engaged throughout the process. But I might pass to my colleague Paul Salvati from the NHVR, who may have some additional comments.

PAUL SALVATI: Thank you, Sally. My only additional comments would be to say that we strongly support the competency-based framework review and the idea of putting in place competency-based framework licensing. Because of the shortage of drivers, we see a lot of drivers on the road who don't have the skills and experience they should have to operate safely. We believe that looking at the National Heavy Vehicle Competency Framework is a good way to move to getting safer drivers on our roads.

The Hon. MARK BANASIAK: I might direct some of my questions regarding the heavy vehicle engagement report that you included as part of your submission. In particular, you speak of a comprehensive audit of the rest stops against the Austroads guidelines. Within that comprehensive audit, how many of those rest stops actually complied with the Austroads guidelines for heavy vehicle rest stops?

SCOTT GREENOW: So far the results that we have relate to the regional part of New South Wales; the gap analysis for Greater Sydney is still being completed. But from a regional sense, it was identified that there was the opportunity for 486 potential new rest stops and—

The Hon. MARK BANASIAK: I am asking more about the existing rest stops. How many of them actually complied with the guidelines? You say in the engagement report that you did a comprehensive audit of heavy vehicle rest stops against the Austroads guidelines. To me, that says you looked at the rest stops, looked up the guidelines and said, "Do they match up? Are those rest stops actually adhering to what Austroads says is best practice in design?" That's what I'm trying to get at: How many of those existing ones actually comply? We had evidence from truck drivers today that they seem to think that none of them really do. I would rather take some evidence from a comprehensive audit if it has been done that provides a bit of clarity to that evidence we received earlier. If you don't have it, I'm happy for you to take it on notice.

SCOTT GREENOW: I don't have the figure in that format. I do have a number that have been identified for a potential upgrade. I don't have the exact answer to your question, but I can tell you that 356 rest stops out of the assessed rest stop network were identified as requiring a potential upgrade.

The Hon. MARK BANASIAK: Is that implying that because they need an upgrade they don't comply with the standards, or is it just that they might be rundown—the toilet might be broken or the like? On notice, can you—

SCOTT GREENOW: Absolutely, yes.

The Hon. MARK BANASIAK: Talking more broadly about road construction, we've heard evidence to suggest that obviously the quality of the road impacts a driver's experience and potential fatigue on the road. Some of the evidence suggests that in road construction there seems to be a bit of a disregard for the guidelines as well from Transport for NSW in terms of design. Can you explain why Transport for NSW, when in designing roads and then contracting it out to your contractors, would disregard the guidelines? Can you give us an explanation as to why you would do such a thing? Given that Austroads has come and told us that what they are putting out is best practice, it seems strange that you would ignore best practice.

SCOTT GREENOW: Unfortunately I don't have the information to be able to answer it fully at the moment. What I can say is that roads are designed in relation to the Austroads guides, and there are many factors that are taken into account when those decisions are made. I can provide extra information outside of this.

The Hon. MARK BANASIAK: Can you provide examples as to why roads would be built outside those guidelines? People who are more passionate about the guidelines than I am have bombarded me with examples of roads that don't meet those guidelines. I'm just trying to get my head around why, broadly speaking, you would disregard the guidelines and do something outside of it.

SCOTT GREENOW: I understand the question. I wouldn't be able to provide a sufficient response, but on notice I can provide information for you.

The Hon. MARK BANASIAK: In line with that, how often does Transport for NSW audit their contractors in terms of their skills and knowledge and expertise in building roads? Obviously Transport for NSW has contracted a lot of that out. How often does Transport for NSW actually audit the people who are actually building the roads as to whether they've got the necessary skills and expertise to do so?

CORRECTED

SCOTT GREENOW: Unfortunately, I don't have the detail at hand to be able to provide it to you. However, I understand that there is a robust process that Transport for NSW undertakes whenever they engage—

The Hon. MARK BANASIAK: Perhaps, on notice, could you give us an outline of that robust process?

SCOTT GREENOW: On notice, I can provide more information, yes.

The Hon. MARK BANASIAK: My last question is perhaps to both of you, but particularly the National Heavy Vehicle Regulator. Some of the submissions have been very passionate about some of the frivolous fines that truck drivers have received, or they perceive them to be frivolous in terms of the scheme of things and the potential impact for safety. So things like logbook errors, misspelling towns or leaving off a date or a day, and that causes them to be fined \$600 or \$700 when a drunk driver will get fined \$500. Can you give us a sense as to why there is such a heavy-handed approach for what seems to be clerical errors? Is there a view to maybe wind some of that back in this national review?

PAUL SALVATI: I guess I'd probably state, to be honest, that I reject that narrative. Since New South Wales transitioned across the regulator in August 22, I have not seen a single instance of an infringement being issued for what I would say would be frivolous: a misspelling, a wrong date, the wrong day. None of those things have occurred. I can say that with some authority because I have looked for them, because I keep hearing this narrative, through social media especially, saying, "We've been fined for spelling Brisbane wrong." I'm yet to find a single instance since transition to the regulator, so I reject it as a current narrative.

The Hon. MARK BANASIAK: Do you think it's the police that are potentially doing this, not the regulator itself?

PAUL SALVATI: I can't comment. One of the challenges is when we hear people got a fine, they don't always say who the fine was from. I can't comment on whether it is police. What I can say for the regulator is that our regulatory philosophy has three arms: it is inform, educate, enforce. Inform is making sure that everyone who is captured by the national law understands they are captured and what they have to do. Educate is done at the entity level with an operator or a driver. We actually work with them to help them understand what they need to do to comply. There is no sense us fining someone if we don't tell them how to do it properly at the same time or how to do it properly instead. If you look at our statistics on how often we do education at the regulator, you will see it is a significant portion of non-compliant events that are dealt with through education, not through an infringement. We keep infringements and our penalties for those who have a history of non-compliance or where the safety risk is so egregious that we have to actually act more forcefully to actually change behaviour.

The Hon. Dr SARAH KAINE: Thank you all for appearing today and for your submissions. Mr Greenow or Ms Webb, there are a couple of questions I want to ask about consultation. I was lucky enough to sit in virtually on the Western Sydney heavy vehicle forum the other week. Can you outline for me the timing of the most recent consultation that you have been talking about? There are the forums. I think you said there was a survey. There were—I think you called them intercepts, but being a researcher I would probably just call them interviews. Could you explain when this tranche of consultation began?

SCOTT GREENOW: Yes. It began with the announcement for the Western Sydney truck stop. Sorry, I just have to refer to my notes for the exact date. Online surveys closed on 1 October and the industry round table was on 22 September. The announcement for the Western Sydney truck stop, which is a \$30 million investment, was on 1 September this year.

The Hon. Dr SARAH KAINE: That was Minister Graham's announcement, and then these have come since.

SCOTT GREENOW: Correct, yes.

The Hon. Dr SARAH KAINE: I was just having a quick look at the stakeholder engagement report which looked at some of the research undertaken last year, I guess. On page 9 there is a table of stakeholder or focus groups that were consulted. Was there any reason that an exclusively driver representative body wasn't included in any of those four workshops?

SCOTT GREENOW: No particular reason, other than the industry associations—many of them are representative of drivers and smaller organisations that have both an operator lens and a driver lens. But beyond that, I'm not sure of the reason.

The Hon. Dr SARAH KAINE: Because you are aware that the TWU has represented owner-drivers for a hundred years?

SCOTT GREENOW: Correct.

CORRECTED

The Hon. Dr SARAH KAINE: That's a bit longer than some of these. I am just intrigued that back last year, before the election, they weren't included on that stakeholder engagement list. We have heard a lot today about training. Mr Faraway asked a question about competency-based training, which is very important, and where things are going with the Austroads consultation. Could you explain current practice around training for heavy vehicle drivers, any involvement that Transport for NSW has in that?

SALLY WEBB: Certainly. I understand there are 16 RTOs who are engaged and additionally drivers can undertake testing at service centres if they don't have access to an RTO.

The Hon. Dr SARAH KAINE: And what is Transport for NSW's role? Overseeing it?

SALLY WEBB: I understand that we are overseeing it, but I will need to take that on notice to obtain further information for you regarding the exact role of the team in that.

The Hon. Dr SARAH KAINE: That would be great. As I said, we've heard a lot about training today so that would be really useful. The other thing that we've heard quite a bit about in the submissions is about community education and educating other road users. It's all very well for us to have enough rest stops and to do all of these other things but when the rest of the community doesn't understand trucks and how they work and how they stop, they contribute to a lot of the incidents. I just wondered is there anything planned or what's happening in that community education space?

PAUL SALVATI: I might start, if that's okay, in answering the questions. The regulators identified through research that about 70 per cent of serious incidents involving heavy vehicles are actually the fault of a light vehicle driver. We have two major campaigns that have been running for a while. One is called Don't Muck with a Truck. It's aimed at new drivers, so people on the learners and P-plates, identifying how they actually need to drive around heavy vehicles, working with the different State jurisdictions on learners' tests, written tests, looking at how we can intercept and work with those young people at things like schoolies weeks and events to actually educate them using things like a virtual reality—I can't think of the word I'm looking for—simulation on how to drive around trucks. We've launched that campaign through a number of different mediums that young people are attracted to like TikTok, and I think the TikTok campaign has had 69 million views of it globally, including I think it's about 14 or 24—I can't remember—across the country¹.

The second campaign we've done is called We All Need Space and that is to educate the broader community about how to drive around heavy vehicles, things like stopping distance, overtaking time, the turning circle of a heavy vehicle. That campaign has been successful. We've had different—I'll say—celebrities work with us on the campaign. We've had Jimmy Rees, the comedian; Sam Thaiday, the football player; James Blundell, the musician—I'm missing a couple here. We've had Yogi Kendall, a truck driver from *Outback Truckers*; and another truck driver. Those are all designed to try and educate the community on how to drive around heavy vehicles safely, and they do include things like for caravaners not taking up truck rest spots with caravans but actually planning ahead and going to a caravan park. I'm happy to provide the URL and the websites for both those campaigns if required.

SALLY WEBB: And if you'd like, I can add that Transport for NSW also contributes to education and awareness for community around trucks, and our flagship campaign is the Be Truck Aware campaign and it aims to generate awareness of the particular challenges that face heavy drivers, including larger blind spots and increased stopping distances. We also focus on vulnerable road users, such as motorcyclists and pedestrians. This ad campaign is in market twice a year across television, radio, social, outdoor and indoor. Since the initial launch of this campaign in 2017, campaign recognition has increased from 44 per cent up to 57 per cent. Our research indicates it has positively impacted attitudes and behaviours regarding sharing the road and road safety generally regarding heavy vehicles.

The Hon. Dr SARAH KAINE: I just have a very quick question again about the training aspect. Pardon me if this is a silly question, but is Transport for NSW responsible for putting together the online component of the assessment to get your heavy vehicle licence?

SALLY WEBB: I understand, yes, that is the case. We did a review of that—I'm going to say in the last two years—to refresh that online component.

¹ [Correspondence](#) from the National Heavy Vehicle Regulator (NHVR) clarifying the evidence of Mr Paul Salvati, Chief Operations Officer, National Heavy Vehicle Regulator (NHVR).

CORRECTED

The Hon. Dr SARAH KAINE: Just so that I've got it right, is it similar to when you get your normal licence or when you get your motorbike licence, where you do that component, and that's delivered or established by Transport for NSW?

SALLY WEBB: Yes. So there's an online component, but then there's a competency-based component as well, or a testing-based component.

The Hon. Dr SARAH KAINE: I just want to put something to you. We've heard about training today and concerns that there isn't enough time behind the wheel. With motorcycle licences, you are required to spend two half-days—I've just done this—to get your Ls, and then you are assessed to see if you are competent to have your Ls. You then have a period of time, and you come back and do another full day. That's delivered by a particular private operator but subsidised by the Government. Is there any reason that there couldn't be a similar, very controlled system for heavy vehicle licences?

SALLY WEBB: In New South Wales we participate in the national scheme, so I'm very happy to take your feedback back to the team.

The Hon. Dr SARAH KAINE: But it's a State licence. When you get your licence, you go through those—so Transport for NSW administers that; yes?

SALLY WEBB: Yes, that's right.

The CHAIR: It might be something for the Government.

The Hon. Dr SARAH KAINE: Yes.

The Hon. JACQUI MUNRO: Thanks so much for coming today. We've heard a lot today about green reflectors and those bays and how they're used differently across different States and that they actually provide quite a useful, if not life-saving, mechanism for drivers to manage fatigue. What's the departmental or national view of green reflectors, and what has been your engagement and consultation around these?

SCOTT GREENOW: The green reflector sites, we would refer to them as informal rest stops, so very low level of infrastructure. If you saw one, you might not recognise that it was a stopping opportunity, but they are a really critical part of the rest stop network, and it's something that we do actively work with industry to try to encourage. There is more that we can do; we can be better at it. Industry will often tell us that there are missed opportunities to increase the number of informal rest stops and occasionally will say that there have been some informal rest stops that have been removed. Complexity around those that are removed or where they can be often revolves around road safety elements of whether or not a heavy vehicle can safely enter and exit the location, but they are an important part of the rest stop network and something that we focus on as part of the heavy vehicle rest stop programs.

The Hon. JACQUI MUNRO: Are you putting them in place? How are you identifying where these locations are?

SCOTT GREENOW: Understanding what exactly is on the network is one of the first steps and there can be informal locations that we're not necessarily aware of. We do have a mapping service that shows where the rest stops are. However, that also has challenges around its currency. They don't change daily, but they do change. The element that we contribute the most is being able to identify where there are opportunities to utilise existing infrastructure in a way that enables an informal rest stop, and they may be sites that, as part of road construction, were areas that stored raw materials as part of that project et cetera. Wherever there is any road upgrades or planning, the Freight team in Transport for NSW provides insight around what would be valuable opportunities, where those locations could be, what they could look like, and a lot of that is informed by engagement with industry on what those are. They obviously spend a lot of time in the road network, and they see opportunities often before we do.

The Hon. JACQUI MUNRO: We definitely heard today that there were potentially missed opportunities around using former road corridors that have been since bypassed, essentially, to create more rest stops. Is that something that you are aware of?

SCOTT GREENOW: I think the potential risk of that happening is real, and it has happened in the past. I can't speak to individual locations because, as I said, often there'll be multiple elements that inform that decision. However, our engagement and focus on understanding how we can do better with less investment, deliver better outcomes for freight operators, is certainly front of mind in how we operate.

The Hon. JACQUI MUNRO: Just finally, on the use of technology, we've heard that the systems that are being used and the role of the TCA have been increasing. You've been working with the TCA in many different ways, I presume?

CORRECTED

SCOTT GREENOW: Yes.

The Hon. JACQUI MUNRO: Would you say that there are better ways for data to be shared from individual companies? Would you support some sort of mandatory reporting scheme directly from businesses, rather than going through the TCA?

SCOTT GREENOW: Mandatory reporting, I would have to say, is a policy consideration for the Government. So far as data and being able to access data, I think in all instances we need to recognise the value of that data, broadly. We also need to recognise the sensitivity of that data, the value of it to operators and how we would use it to better inform our decision-making in both their best interests and the people of New South Wales, as far as investment planning et cetera. Certainly any opportunity we can take to make data more accessible without increasing the burden on either industry or the Government is an excellent opportunity. So far as mandating, as I said, that would be a question for the Government.

The Hon. JACQUI MUNRO: Is there any information at the moment that you wish that you had that would help your work? I see you're nodding.

PAUL SALVATI: Yes. That's a fantastic question. There is a lot of data that we don't have that would really inform two things from our perspective at a national level: opportunities to improve productivity for the industry, as well, so looking at not just primary freight routes—we have a lot of data on primary freight routes—but also secondary freight routes. What industries are being carted from where to where can actually help us identify opportunities to put more roads and more routes under notice. That's a fantastic thing for industry.

From a safety perspective, I had this very conversation with some industry people just yesterday. There's reticence in sharing—I guess I would say telematics or very granular information back to the regulator for fear of being fined. However, if you could anonymise that and we could still identify things like, on a journey, where a driver is getting fatigued; on a journey, where should we have rest stops; on a journey, which consigners, which distribution centres and which parties in the chain are doing the wrong thing. If we had all that information, we could actually prevent multiple fatalities every single year across the country.

We are very pro data sharing; we also share data back. We've just launched a program back with industry where, wherever we issue a defect on one of their vehicles en route, we tell the operator-owner of the vehicle straightaway so they can schedule repairs. They can actually have parts waiting for that heavy vehicle at the next rest stop, to prevent downtime and increase productivity. We've got a second initiative underway whereby, every time we intercept a heavy vehicle, we'll share back with the operator of that business the outcome of that intercept—if it was compliant or if it was noncompliant. We believe that two-way information sharing creates a much safer industry.

The Hon. SAM FARRAWAY: I have one last question, probably for the NHVR, about electronic workbooks. We've heard today that there is apprehension around those logbooks from certain participants in the industry, just around the way they've always done it. How is the rollout of electronic workbooks going more broadly across the State? What is the NHVR's view of the National Heavy Vehicle Law that the Commonwealth Government is trying to finalise with the States? The workbook in itself will be a significant change but will also play a significant part for anyone in the trucking industry once it's implemented, and you'll be regulating it.

PAUL SALVATI: We believe electronic work diaries are a fantastic tool to manage safety across the industry. There was a question before from the gentleman about frivolous infringements. The national work diary removes those altogether. You can't misspell a name; you can't get your times wrong in adding it up; it's all done for you. We think they're a great tool, and we'd like every single driver to be utilising those. In terms of rollout in New South Wales, they're not our product. We set the standards. They're delivered by commercial third parties who don't give us their sales figures on a State-by-State basis on a regular basis, so I'm afraid I don't have that data. I can try to find that for the Committee.

The Hon. SAM FARRAWAY: Do you have any campaigns that you're running to assist drivers to transition to an electronic workbook?

PAUL SALVATI: We've run information education campaigns about the value of them generally, but because they're third-party commercial products, we can't be seen to promote any one entity. Our role is very much just generally talking about the value of these things to industry and recommending that drivers go and talk to different suppliers and actually try them themselves. To the second part of the question on the Heavy Vehicle National Law, we are looking forward to seeing the changes that will come with the Heavy Vehicle National Law. We think the law as it currently stands has a lot of complexity for drivers and industry. It has a lot of restrictions in it which actually reduce safety and productivity. We are very hopeful that the new Heavy Vehicle National Law will have components in it which allow us to do things like if not mandate electronic work diaries at least get them more ubiquitously rolled out across industry.

CORRECTED

The Hon. CAMERON MURPHY: I wanted some more information. When I was reading your submission, you say there are over 1,350 heavy vehicle rest stop locations that are classified as either formal or informal. Do you know how many of each there are?

SCOTT GREENOW: Unfortunately, I don't have that detail here, but I can provide that after.

The Hon. CAMERON MURPHY: If you can take that on notice, that would be great. The other thing was what is the definition of an informal stop? Is that just where a truck will decide to pull over or is there something more to it? Does it have to have some facility? What is the definition of that exactly?

SCOTT GREENOW: Thank you for the question. The Austroads guide to provision of heavy vehicle rest areas does provide some structure around the different classes of rest stop. It talks to the facilities, as in it doesn't really specify what needs to be at a location for it to be an informal rest stop. It effectively says, "anything that doesn't meet the classes above".

The Hon. CAMERON MURPHY: So anywhere a driver decides to stop could be informal.

SCOTT GREENOW: If available, yes.

The Hon. CAMERON MURPHY: Okay, so it's the broadest possible definition.

SCOTT GREENOW: Correct, yes.

The Hon. BOB NANVA: There has been a lot of evidence presented today and through submissions to this Committee about the fact that governments can improve the quality and number of rest stops, and can improve the training of new drivers, but the drivers themselves are under constant pressure to cut corners. Operators are under pressure to meet tight deadlines, and there are real structural and power imbalances within the industry. Without expecting you to pass an opinion on policy responses that governments can pursue, do you have a view on the apparent relationship that has been presented to this Committee between the remuneration by, and expectations of, major clients in the industry and risk-taking and short cuts by operators?

PAUL SALVATI: I'll start it. Thank you for the question. We're not privy to any commercial contracts between drivers, operators and consigners in the supply chain. What we do have in the Heavy Vehicle National Law is an ability, if a contract has inducements or in a way forces someone to breach the Heavy Vehicle National Law, to investigate and prosecute. You'll understand that it's rare. I can't think of a single example where someone has actually provided such a contract to us, because in doing so, they'd probably lose that contract as well. But if anyone did, we would take that very seriously.

The Hon. BOB NANVA: Have there been any prosecutions?

PAUL SALVATI: Not in that instance, unfortunately, because we are yet to have someone come to us with a contract that actually shows that. Now having said that, when there has been an investigation done because there's been a fatality or a serious injury and we go back through the investigation and have identified that there has been an inducement by an executive in a company, a scheduler, an allocator or someone to force a driver to break the Heavy Vehicle National Law, then yes, we have done prosecutions and yes, they've been successful.

The Hon. Dr SARAH KAINE: Anyway—and someone dies.

The Hon. BOB NANVA: And someone dies.

The Hon. JACQUI MUNRO: Can I extend on that question? In terms of chain of responsibility law in general, do you know how many prosecutions occur and how many are successful in a year?

PAUL SALVATI: I don't have that number to hand, but I can provide that to the Committee.

The Hon. JACQUI MUNRO: That would be helpful. Could you provide numbers for the last five years?

PAUL SALVATI: Certainly.

The CHAIR: Are there any other questions for the witnesses?

PAUL SALVATI: Excuse me. Can I just make a clarification on an earlier answer about the frivolous fines. I should have put the word "solely" in there, because I have seen fines where, listed amongst more serious breaches, there was a clerical error, but that was not what the fine was issued for. It was actually issued for a serious breach, but there was a clerical error listed in all the noncompliance for that driver.

The CHAIR: Thank you for clarifying and thank you all for attending. The secretariat will be in touch with you for any questions taken on notice or any supplementary questions from members.

CORRECTED

(The witnesses withdrew.)

The Committee adjourned at 17:10.