

**The City of Greater Dandenong**

**Date: 4 June 2019**

**Response to Productivity Commission's Issue Paper:**

**National Transport Regulatory Reform**

The City of Greater Dandenong supports the Productivity Commission's investigation into National Transport Regulatory Reform to improve consistency, improve efficiency, encourage innovation and promote safety in the transport industry.

Council has the Dandenong National Employment and Innovation Cluster within its jurisdiction. This area is a State Significant Industrial precinct which continues to grow. As such, Council takes great interest in any improvements to the freight task, including how the Heavy Vehicle National Law will impact businesses.

In the following pages Council has provided responses to a number of the questions raised in the issues paper. Rail and maritime matters have not been considered due to Council's relatively low interaction with these elements.

The first set of questions have been identified by the Municipal Association of Victoria's freight reference group as important to Victorian local governments. Council has then answered a number of other questions raised in the issues paper which are considered significant issues.

Should you wish to discuss any of our responses in greater detail, please do not hesitate to contact Christopher Marshall, Strategic Transport Engineer.

Kind Regards

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Team Leader - Transport

### **Key questions identified by Municipal Association of Victoria**

***Are the current roles and responsibilities (for transport regulation) of each level of government clear and appropriate? If not, what changes (if any) to the roles of the different levels of government would support a safer national system of transport?***

From a local government perspective the roles and responsibilities are generally clear and achievable with appropriate resourcing (which is an ongoing issue across all levels).

### **Are the National Heavy Vehicle Regulator working effectively with local government?**

The NHVR tends to have an under resourcing issue. This can result in inconsistent communications and be a barrier to relationship building with NHVR staff. Whilst there are stakeholder specialist which have proven useful, for a local government road manager they are usually a last resort for NHVR officers when addressing issues. NHVR officers have a very prescriptive approach and lack of understanding of local road networks (including state and local government distinctions) which can make it challenging to discuss complex issues with them. This is made worse when there is high turnover of NHVR officers.

**Does the current regulatory framework achieve an appropriate balance between local and national interests? Issues could include the level of truck traffic on local roads or the reservation of corridors for future freight traffic. Are decisions made at the right level of government?**

The current regulatory framework fails to consider the planning framework within which it operates. Local governments are unable to reject applications based on the destination site having planning conditions preventing specific vehicle types from accessing the site, which can result in road safety risks or illegal practices.

Whilst generally national and local interests can be balanced within the regulatory framework there is a lack of ability to balance industry behaviour and safety requirements within the current regulatory framework at end of trip.

**Does local government have the resources, access to data and expertise needed to process access applications efficiently, evaluate the impact of road access decisions on the supply chain, or to take into account broader demographic and technological shifts?**

If local government has the human resources available it can generally handle the day to day access applications, however this is competing with required resourcing for other tasks. Generally local knowledge provides an understanding of the impacts, however assistance may be needed for a strategic understanding requiring coordination between multiple local governments and state government. The biggest issue is likely to be when specialised knowledge is required for issue which may not occur often enough (e.g. structural assessments) for local government to justify keeping the expertise and resources on hand.

**If not, what options might be available to support local government to perform these functions?**

Having a regional resource available to address these issues would be of significant help. Funding for local government officers to process applications would also assist in ensuring local government resources are available to meet desired productivity outcomes, additional funding could also then provide for projects which could provide ongoing productivity benefits once completed.

**Has the involvement of local government in heavy vehicle access approvals contributed to efficiency improvements or better investment decisions?**

The involvement of local government in the approvals process has added additional steps to the approval process. This has forced local government to have a better understanding of their heavy vehicle and road networks. Long term this should result in better decision making. Efficiency improvement will only be seen if all involved in the process are well resourced and trained to be able to provide timely responses. Some longer-term decision making (often requiring short-term additional resources) can help to mitigate some potential efficiency impacts and reduce resourcing requirements of decision makers.

**Where disputes about access arise, are these being resolved in an effective way?**

Generally not for local government. In these cases the heavy vehicle law forces local government to make a decision that would not otherwise be made due to conflict with community interests, road safety and/or the site being unable to cater for the vehicle as these issues cannot be considered in the decision under the legislation. The NHVR can overrule local government if required, making local government unable to stand by these reasons.

One current issue involves routes which use roads with different road authorities. Once one road manager makes a decision, other effected road managers cannot suggest alternative routes which may impact the other road manager. This creates issue when the state government in charge of arterial networks makes a decision before local government, as it prevents redirecting vehicles to utilise arterial roads. This can result in the rejection of applications.

**What practical changes would lead to more effective regulatory arrangements involving local government approval processes?**

Ability for local governments to receive a fee for the processing of applications. This would allow local government to fund resources to process applications. This could also be used to support further efficiency improvements regarding the heavy vehicle network.

**Where are the biggest opportunities for future safety and productivity gains in the transport sector, and what impediments exist? What new challenges may arise?**

Higher productivity and safer vehicles being encourage. The challenges are many industrial sites will not be suitable for these vehicles resulting in access issues. Any productivity advantages will not be

realised without creating road safety issues. Education of road managers will also be required so they understand the impacts of these vehicles.

**What role should the regulators play in achieving these outcomes and how might they need to change to do so? How might local government need to change to make the work of the regulators more effective e.g. council road managers?**

The regulator should be seeking to ensure road authorities have adequate resources and take the leading role in ensuring strategic cross-boundary planning is occurring. Local government often has a good understanding of their networks and can assist in provide clarity of how its network fits into the broader network and options to provide local efficiency improvements.

**What role should national safety regulators play in the management, collection, sharing and usage of logistical data?**

The national safety regulators should be responsible for collecting, storing and distributing the logistical data to decision makers.

#### **Additional questions raised by Productivity Commission of importance**

**What changes, if any, to the current system would improve safety outcomes? /**

**How does transport safety regulation interact with other regulatory schemes, for example, workplace health and safety regulation? Where is there a conflict, what issues arise as a result? How should this conflict be addressed?**

Currently the national heavy vehicle law does not consider planning requirements or ensuring road rules and road regulation can be complied with when accessing a property. Eg. Victorian Road Safety (Vehicles) Regulations 2009 - (Schedule 8 Part 1 Division 3, 12(1) - of the Regulation states that "a B-double must not enter or exit a road in a reverse gear" however the current system rarely allows for effective consideration of these regulations. Allowing this behaviour can create safety issues on road or encourage illegal behaviour to occur.

***Have administrative costs fallen for governments?***

***How has the move to a national regulatory system affected the costs to government of administering transport safety regulation?***

Local government wasn't previously involved in these issues, as such all new tasks have a cost to local government in human resources.

***How might the costs and benefits of any changes in regulatory burden, and any changes in compliance or administrative costs best be measured? Where can the Commission source relevant data?***

Time spent on assessing applications may be available from the NHVR which breaks down time spent processing an application between NHVR officers, applicants and road managers (local government and state government officers).

**How might any unnecessary regulatory burden and compliance or administrative costs be reduced?**

Local government does not receive any part of the application fees for heavy vehicle permits. If local government received part of this fee it would be better able to fund resources to assess permit applications by reducing the cost burden incurred.