National Transport Regulatory Reform Productivity Commission LB2 Collins Street East, Melbourne Vic 8003

28/06/2019

To whom it may concern,

## **Re: National Transport Regulatory Reform**

The Victorian Farmers Federation (VFF) welcomes the opportunity to participate in the Productivity Commission's Review of National Transport Regulatory Reform.

Recognising that supply chain costs are typically the single largest cost in agricultural production, the VFF strongly support regulatory reform to improve the efficient movement of freight.

For the purpose of this submission we would like to focus on the role of local government in the heavy vehicle regulation reform agenda.

Local roads often play a critical role in the overall efficiency of freight movements with freight journeys (especially agricultural freight) typically beginning or ending on local roads.

As acknowledged in the issues paper Heavy Vehicle National Law (HVNL) has elevated the practical role of local government in heavy vehicle access. Whilst the law requires access request to be made to the National Heavy Vehicle Regulator (NHVR), under the law final decisions on access and any conditions on access are made by the road managers.

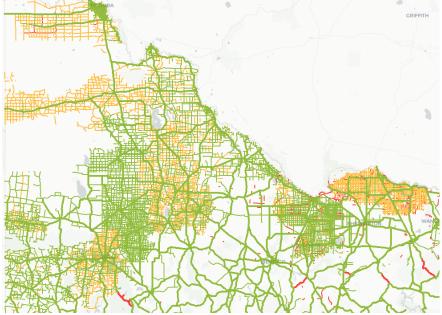
As the road managers of local roads, local governments are now responsible for approximately 85% of Victoria's total road network.

Unfortunately, the involvement of local government in heavy vehicle access approvals has in many cases failed to contribute to increased efficiency or productivity.

High Productivity Freight Vehicles (HPFVs) such as a-doubles have the potential to significantly reduce the costs of transport for growers. However, whilst sections of the Victorian road network are currently capable of carrying HPFVs, in practice the ability of both agricultural and other industry freight operators to utilise higher mass vehicles is limited by local roads.

As the below map of the b-double network in North Western Victoria highlights, despite being the most common configuration of transporting agricultural freight, even b-double access varies significantly between councils:

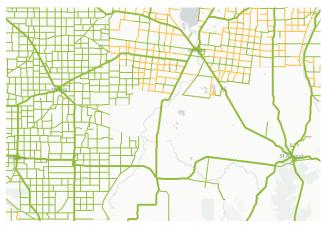




 $Source: \underline{https://vicroadsmaps.maps.arcgis.com/apps/webappviewer/index.html?id=636d0f14807e4b13a3414b8d48a56c0f} \ [accessed 24/6/2019] \\$ 

This is clearly contrary to COAG's original objective in establishing a national regulatory system of delivering 'a seamless national regulation of heavy vehicles that achieves the same outcome in the same circumstances; and consistent and streamlined administration and service provision for the regulation of heavy vehicles'.

There are countless cases in regional Victoria of b-double gazetted roads stopping at shire boundaries highlighting the arbitrary manner in which heavy vehicle access is at times determined [see below map of Horsham, Yarriambiack and Northern Grampians Shires border]



Source: <a href="https://vicroadsmaps.maps.arcgis.com/apps/webappviewer/index.html?id=636d0f14807e4b13a3414b8d48a56c0f">https://vicroadsmaps.maps.arcgis.com/apps/webappviewer/index.html?id=636d0f14807e4b13a3414b8d48a56c0f</a> [ accessed 27/06/2019]

It is clear that many rural local governments lack the resources and expertise to sufficiently evaluate the impact of

road access decisions on the supply chain.

For example, many regional shires in South West Victoria have very few b-double gazetted local roads despite the increased production of grain within their regions necessitating heavy vehicle movements.

Indeed, within the entire Pyrenees Shire only one small section of the Avoca-Bealiba Road less than a kilometre long is currently gazetted for b-double access.

This creates significant additional regulatory burden for farmers who must then apply for permits to transport their grain to market. Many farmers have with reported significant delays in the permit process including a farmer in Beaufort waiting over a year to be granted a permit to legally cart grain on a local road to his property and a farmer in the neighbouring shire of Ararat Rural City waiting 8 ½ months to get a permit for a single trailer with higher mass limits.

Whilst these are some of the more extreme examples, they demonstrate some of the flaws of the current regulation which are inhibiting the efficient movement of freight in Australia.

The VFF would request that centralised resources are made available to local governments to ensure a more consistent approach to heavy vehicle access.

Furthermore, the VFF would urge that a greater onus is placed on local councils to provide evidence as to why heavy vehicle access has been denied.

Please do not hesitate to contact me

if you would like to discuss this matter further.

Yours sincerely,

David Jochinke,

**President, Victorian Farmers Federation**