

01 Nov 2023

To Whom It May Concern

First off thanks to the NTC for the opportunity for us to table a response submission to the HVNL C-RIS and the proposals contained within.

The Bonaccord Group is an Australian owned and operated family business producing quality produce since 1975 and freighting perishable goods since 1989.

We have opted to use the consultation questions as the format basis of our submission. Questions and answers follow below, if there is any clarification needed my contact details are - Ruben Hannola, email - rubenh@bonnacord.net, ph 03 5157 1325.

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**Questions** and Answers

**To what extent has the C-RIS fully and accurately described the problem to be addressed within the scope of identified issues? What other factors should be considered in the problem statement? Please provide detailed reasoning for your answer.**

The C-RIS has described the problem to be addressed in a comprehensive manner. It would be nice if this could be truly national and encompass WA and NT.

**Has the C-RIS provided sufficient evidence to support the case for government intervention? What else should be considered and why?**

Yes, in our view the case for intervention is justified. Changes resulting from this should satisfy the requirements in the first instance and allow for future alterations without necessitating ministerial intervention as technology grows. These changes will be implemented at some cost to the operator and is an endeavour which should not need to be repeated in the near future.

**In addition to the barriers and constraints identified, what other impediments could impact on the success of implementing options presented in the C-RIS?**

Each sub-industry within the heavy vehicle industry will have constraints in specific areas which may impede implementation. We have presented our case from the perspective of a horticulture business as well as a freight provider for other businesses in the area. An example of a different perspective will be from the concrete industry, who will have different constraints and considerations which will need to be factored into the decision-making process.

**Are there any potential changes to the impact analysis methodology that you would suggest? Please provide reasons and evidence.**

There appears to be potential to improve the lack of availability of qualitative data about the freight industry. This would allow the case to be more data driven.

**Do you agree with the potential impacts of Options 1a and 1b as described above? Are there any additional impacts you think should be considered?**

We agree in that there will be negligible change in regulatory burden associated with the adoption of these options. If there are benefits these options should be adopted. We support this recommendation.

**Do you support one or more options to change the scope of fatigue regulated vehicles? Please give reasons for your preference(s).**

Option 2d is the only option our business would be comfortable supporting other than the base (no change) option. There are massive implications for any agribusiness venture in the change management space for all other options. Our long distance driver contingent at Bonaccord Freightlines is well versed in the prescriptive requirements and regulations and our BFM accreditation ensures this is adhered to unequivocally.

Bonaccord Quality Produce Co is the produce arm of our group and has a high percentage of itinerant workers on our books employed to do our local work. This applies to multiple growers here in Lindenow valley, who use schemes like Pacific Australia Labour Mobility (PALM) and Agriculture visas to fill labour shortages where employers can prove there is no local labour ability to fill these positions. Among these positions are local truck driving positions.

Many of these workers are from third world countries with little to no education but have a desire to work hard to provide for families back home. We feel any work diary requirements for local agribusiness drivers will be setting the workers up for failure through no fault of their own. Any attempt to extend prescriptive requirements to local work will also come at significant time and cost to the business in attempted education of workers with unknown capacity in learning. Agribusiness is a low margin business and we feel this extra cost will be untenable. As a low margin business we do everything possible to restrict work hours to eight hour shifts so no overtime penalties are incurred. As a result we have a very low risk profile in fatigue related issues for our local drivers.

A benchmark report by Teletrac Navman in 2019 found 39% of businesses surveyed were experiencing shortages of heavy vehicle drivers. Steps to introduce prescriptive fatigue requirements for local work will drive this figure higher. This could result in a chronic shortage of drivers in a space where labour has already been proven to be unobtainable locally, potentially running the risk of creating rogue operators within the sector.

We are also concerned that this proposal will not have reached many in the agriculture industry simply because bulk transport is often outsourced, and a given business may only run one or two local trucks in the heavy vehicle class from farm to shed. These are more often than not licenced but not NHVAS accredited operators who do not keep up to date with news from NTC or NHVR. They will not have had input in the process, and any resulting changes will be an unwelcome surprise.

**Do you have any information to support analysis of these options? Do you have any feedback on the key parameter estimates as presented in Section 6.6.3? Provision of anecdotal evidence would be welcomed.**

As touched on already, local agribusiness drivers present a low risk profile as an indirect result of the industry being a low profit margin industry. This drives the employers to have a strong desire to avoid overtime costs as set out in the horticulture award, overtime being payable if the worker does more than 8hrs per day, and over 152 hours over 4 weeks. In our view adherence to these hours is a low fatigue risk profile. Most, if not all growers in our local region adhere to these hours to help make their businesses viable.

**Are there any additional impacts you think should be considered? If so, why?**

If we have prescriptive fatigue requirements for local drivers the time taken to fill out work diaries can be longer than the trip itself. For example, trip time from depot to our nearest customer for pickups is approximately 2 minutes.

**Do you agree with the key impacts that changes to the scope of FRHVs may have on buses, as described above? Do you foresee any additional impacts?**

For buses option 2d makes sense, as mentioned in the previous question, it seems excessive to have full work diary for short runs and local work.

**Do you support one or more options to change enforcement of fatigue-related breaches? Please give reasons for your preference(s).**

We support options 3a, 3b, 3c, 3d, 3e. We agree with the advantages and disadvantages as set out in Table 17 in the C-RIS.

**Are there any implications of options to change enforcement of fatigue-related breaches you think should be considered? What issues would need to be considered as part of implementation of these reforms?**

We oppose option 3f. Our business would have to cover the time and cost of education. Education levels and literacy of staff are a consideration, especially when considering overseas itinerant staff. Often English is not their first language and education level is very limited. This would potentially make any attempted formal education difficult and lengthy, therefore costly.

**If some of the proposed changes to enforcement of fatigue-related breaches were adopted, would this give you confidence to transition your business to EWDs?**

We are already in the process of transitioning to EWD’s at Bonaccord Freightlines and realising the associated benefits.

**Taken as a package, would these reforms to fatigue management create a fairer regulatory approach overall?**

Yes, excluding option 3f.

**Regarding Option 3A, would a timeframe of 14 days or 28 days be more appropriate? Please provide reasons for your answer.**

We would consider a timeframe of 28 days to be appropriate. It is then aligned with work diary requirements.

**Which option (either Option 4a or 4b) would deliver the greatest benefit? Which would have the simpler implementation pathway? Please give reasons in your response.**

4b would give realisation of benefits to a wider audience and is our preferred option. Our business would have cost savings from not having to have 47 vehicles mass managed at current CML levels. Implementation for us will involve staff education and training, updating documentation referencing CML, and dissemination of documentation. We have a Compliance Manager in the business who will be responsible for the change management as an overall piece when the time comes.

**What are the main benefits for industry in simplifying mass limits to GML and HML?**

Cost saving by not having to pay to access CML through NHVAS, and the associated time saving in regulatory compliance maintenance. Simplification for operators only having 2 standards instead of 3 to choose from.

**Alternatively, would there be value in creating a ‘new CML’, as an incentive for mass accreditation, between the proposed “new GML” and current HML?**

We believe where there is a need and a business case to support pursuing available increases in mass limits, companies including ours will do so to realise the benefits. Accreditation has side benefits by having extra checks in the form of scheduled compliance activities to maintain compliance.

**Could reforms that make it easier for operators to operate at CML without the need for accreditation lead to any adverse outcomes to road safety or road infrastructure?**

There will be less in house scrutiny without accreditation leaving a potential for increased risk to both road safety and road infrastructure. We would view this proposal as a negative impact option.

**Given increased vehicle height limits already available to operators through existing laws and notices targeted at specific supply chains, would a general increase in vehicle height allowances provide material productivity benefits (i.e., reductions in heavy vehicle trips)?**

Potential benefits in reduction of trips exist for carriers of low density products such as light produce, styrene and cardboard. Reconfiguration of pallets will need to occur to realise the benefits.

**Could reforms that make it easier for operators to operate at increased vehicle height limits lead to any adverse outcomes to road safety or road infrastructure? Are there options (e.g., vehicle or load type limitations) to mitigate any increased risk of adverse outcomes?**

Increase in height across the board will increase the exposure to hazards such as low bridges, and in rural areas low branches.

**Given increased vehicle length limits already available to operators through existing PBS scheme and notices, would a general increase in vehicle length limits provide material productivity benefits (i.e., reductions in heavy vehicle trips)?**

For suitable low density products there will be opportunity to reconfigure pallets to maximise use of space resulting in a reduction of overall trips.

**Could an increase in vehicle length limits enable newer, more innovative vehicle/trailer designs? What types of supply chains could benefit?**

As per above, benefits will be realised by carriers of low density products. PBS scheme members will also benefit with the increased vehicle length limit. If PBS scheme membership is no longer needed there is significant financial savings for those operators.

**Could reforms that make it easier for operators to operate at increased vehicle length from 19 to 20m lead to any adverse outcomes to road safety or road infrastructure? Which risks would any regulatory conditions mitigate and what controls could be put in place?**

There are already a significant number of 20m vehicles on our road system. Our view is 20m should become the new normal with no PBS requirements at this length. The risk profile remains the same as current because the swept path is within manufacturing standards. There will be no increased risk to road safety or infrastructure with such a small increase in length.

**Do you have any comments on the cumulative impact of increasing general access limits for vehicle mass, length and height? Please give reasons and evidence where possible.**

Cumulative effects will include better realisation of volumetric potential reducing the amount of trips overall, and lower operator costs in obtaining over dimension and access permits. Effects for the operator are positive. Increasing limits will increase the risk of damage to infrastructure slightly, especially upon implementation, and then reducing slightly as time passes and operators are more competent using vehicles in the new dimensions.

**Do you agree with the potential impacts described regarding the potential inclusion of NAS requirements in regulations? Are there additional impacts you think should be considered?**

Yes we support the inclusion of NAS requirements in regulations. Consideration needs to be given to the timing of the first audit including the new NAS. We are a business located in rural East Gippsland and pay a significant price to have the auditor onsite for our NHVAS accreditation audits. The first audit including NAS should align with the next due audit in the NHVAS schedule so there is no double up in costs to the operator.