

Radical change to vehicle regulatory framework in Australia

R. A. PEARSON, Director, Technical Standards, National Road Transport Commission,
Melbourne, Australia

In July 1991 an historic agreement was signed between eight major vehicle regulatory jurisdictions in Australia. Over the next two years, legislative changes resulting from this agreement will radically alter the way road transport is regulated in Australia. This paper outlines the changes to date, the proposed changes and comments of the implications for road transport regulation in Australia.

1. INTRODUCTION

Australia is an island approximately equal in size to the area of mainland United States of America. It has a population of approximately 16 million, the majority of whom reside in the southeast corner of the continent.

The constitution establishing the Commonwealth of Australia provided for specific powers for the Commonwealth. Residual powers remained with the founding States, six in total. Combined with two Territories, there are now nine jurisdictions in Australia with major legislative powers.

In July 1991, eight of these jurisdictions signed an historic agreement to radically alter the method of regulation of road transport in Australia. The aim of this agreement was improvement in both road safety and transport efficiency and reductions in the costs of administration of road transport.

To achieve these aims, it was necessary to provide for uniform or consistent road transport legislation throughout Australia.

The agreement provides for the establishment of a Ministerial Council and a National Road Transport Commission to be responsible for establishment of the uniform or consistent regulations.

This paper describes how the new arrangements will work against the background of existing arrangements. The paper also describes some initial work of the new Commission.

2. PRESENT LEGISLATIVE ARRANGEMENTS

The Australian constitution lists the subjects that were identified 100 years ago as matters of national importance and therefore within the power of the Commonwealth to create legislation. The States retained power to make laws on matters considered then to be of local importance. Transport was not specifically listed as a power for the Commonwealth but they retained residual powers relating to interstate trade and commerce.

This system has produced almost 200 pieces of legislation dealing with transport in Australia. With this volume of legislation, it is clear that the likelihood of harmonised road transport arrangements is minimal.

Many attempts have been made to establish greater consistency in regulations. For example, the Australian Transport Advisory Council (ATAC) was established in 1947. ATAC comprises Federal, State and Territory Ministers responsible for transport, roads and marine matters. One of the functions of ATAC was to promote better co-ordination of transport development. ATAC was the forum which considered recommendations for uniformity, recommendations which were to be adopted in the jurisdiction of the responsible ATAC Ministers.

Design standards for motor vehicles and trailers, known as Australian Design Rules (ADRs) were first introduced in the late 1960s. These design rules are primarily performance standards and are more complex regulations than have previously been adopted in States and Territories. A single uniform system has since been established, under the auspices of Commonwealth legislation, called the Motor Vehicle Standards Act. This Act mandates standards of construction for first registered vehicles, throughout the country.

However, in-service rules such as mass, dimensions, traffic codes and like regulations remained the province of the States and Territories. The establishment of model regulations in 1954 assisted to a certain extent in achieving greater harmonisation in regulations, but the lack of a centralised system has precluded complete uniformity or consistency.

One critical area of non-uniformity is charges for heavy vehicles. Attempts to prevent 'shopping around' between the various States, together with controversial moves towards greater cost recovery created a strong environment for change. At the present time, fixed charges for identical 6-axle articulated vehicles (tractor/semi-trailer) vary from less than \$1,000 to more than \$6,000.

3. PROPOSED ARRANGEMENTS

3.1 National Road Transport Commission

The role of the National Road Transport Commission (NRTC) covers both policy development for road transport and overseeing the administration by the States and Territories of road transport legislation.

The Commission's responsibilities and functions include:

- . Developing policy for road transport.
- . Preparing and issuing guidelines on the administration of road transport legislation and overseeing that administration.
- . Provision of information on road transport legislation.
- . Making recommendations to a Council of Federal, state and territories Transport Ministers on road transport legislation, heavy vehicle charges and charging principles.

The Commission's role covers three main areas:

- . Technical standards for heavy vehicles and vehicle operation.
- . Registration of heavy vehicles and licensing of drivers.
- . Charges for heavy vehicles.

The original agreement provided for the NRTC to be responsible for these matters for vehicles exceeding 4.5 tonnes gross mass. It has been announced that responsibility for many areas of light vehicle regulations (the remaining vehicles on the road network) are also to be referred to the NRTC. It is therefore expected that by the beginning of 1993 the NRTC will be responsible for policy development in relation to all aspects of road vehicles with the exception of charging for light vehicles.

3.2 Ministerial Council

The legislation provided for the establishment of a Ministerial Council with representation from each of the participating parties to the agreement. The role of the Ministerial Council is to consider policy questions and recommendations from the National Road Transport Commission, as well as the general administrative arrangements of the Commission.

3.3 National Road Transport Legislation

The determinations of the National Road Transport Commission, if not disproved by Ministerial Council, become law made by the Commonwealth of Australia to apply in the Australian Capital Territory. The agreement provides that each of the participating States will pass once-off legislation to adopt the law of the Australian Capital Territory in their State in lieu of present laws.

Thus the theory is that, in future, legislative changes recommended by the NRTC and adopted by Ministerial Council will come into effect in the ACT and simultaneously in all other jurisdictions in Australia. It is this aspect of the new arrangements which is unique and far reaching in its consequences.

4. INITIAL WORK OF THE COMMISSION

4.1 Charges for Heavy Vehicles

The NRTC is responsible for recommending charges for trucks and buses throughout Australia. The agreement signed by the Heads of Government defines charging principles which require the Commission to recommend charges that:

- . achieve full cost recovery
- . achieve reasonable balance between administrative simplicity, efficiency and equity

- . improve the link between pricing and investment decisions; and
- . minimise the incentive to shop around for lower charges.

Four types of charges can be used to recover the costs identified:

- . access charge
- . diesel fuel excise
- . mass distance charge; and
- . permit fees for particular vehicle categories.

The agreement specified two zones within Australia, with Zone A comprising New South Wales, Victoria, Tasmania and the Australian Capital Territory, and Zone B the rest of Australia. It was generally expected that Zone B would have lower charges than Zone A.

One difficulty faced by the NRTC is they have responsibility only for determining charges, not the collection or distribution of these charges. Therefore the Commission cannot address the implications for States which may lose revenue from lower fixed charges.

However, the Commission is responsible for considering the overall impact of increased charges.

In April, the Commission published a discussion paper on heavy vehicle charges. This paper contained a preferred option for charging which has the following highlights:

- . a single uniform charge throughout Australia for registration purposes for each type of vehicle (ie no Zones)
- . the proposed fixed charges are based on the number of axles in a truck, truck tractor, trailer or bus as the case may be
- . the schedule does not differentiate between the use of single, dual or wide single tyres on axles
- . they are full costs recovery figures.

Cost recovery was established using the Pay-As-You-Go (PAYGO) approach. Such an approach involved extensive analysis of road expenditure and its allocation to heavy vehicles, as the total amount of money to be recovered from heavy vehicles should equal the amount spent for the provision of the road network for such vehicles.

The Commission is required to make a final determination in June 1992 on what it considers to be the appropriate level of charge for heavy vehicles for using the Australian road network. How this charge is accepted by both Governments and industry in Australia may well determine the future of the present reform process.

4.2 Technical Standards

The Commission is responsible for the development of Technical Standards for vehicles. The areas of standards that are the responsibility of the Commission include:

- . construction standards
- . road use standards
- . traffic codes
- . other codes of practice
- . operator controls; and
- . enforcement and sanctions.

The only area of regulation excluded from the Commission's responsibilities is economic regulation, such as the restriction of particular commodities to certain modes of transport such as rail.

As mentioned previously, the Commission's recommendations must encompass uniform or consistent regulations. In a country the size of Australia, with its variety of climate, geography and population densities, uniformity may not be appropriate. Rather the Commission believes that Australia needs best practise in its regulations to ensure minimum costs.

Freight transport in Australia is characterised by a wide variety of truck types, from the small rigid trucks supplying the capital cities to the 50 m road trains weighing 120 tonnes in outback Australia. The Commission has the task of ensuring that our obligations for improvements in road safety and transport efficiency are achieved.

Regulations will generally be introduced in three different categories:

- . general access vehicles, vehicles which are generally in accord with the geometric and structural standards and traffic safety standards adopted for the design of the general road network. Such vehicles would be rigid truck and buses, truck and trailer combinations and prime mover semi-trailer combinations.
- . Medium and Long Combination Vehicles, generally consisting of vehicles in excess of the regulation length and comprising B-Doubles (called B-Trains in Canada) and road trains; and
- . Overmass and overdimensional vehicles, consisting of plant items such as cranes and vehicles carrying indivisible loads, which operate under strict controls relating to routes and times of travel.

It is likely that the regulations resulting from the Commission's review will contain the following highlights:

- . length of single articulated vehicles and truck and trailer combinations increasing from 17.5 m long to 19 m long, but retaining a maximum gross mass of 42.5 tonnes
- . introduction of 14.5 m buses with route restrictions
- . continuation of the current maximum length of B-Doubles at 23 m and maximum gross mass of 59 tonnes, but the length to be reviewed within a few years
- . double road trains to be permitted a length of 36 m and triple road trains 53 m; and
- . introduction of a one-stop-shop approach such that overmass and overdimension vehicles would apply only once to travel anywhere within Australia.

Significant issues on the Commission's agenda include:

- . consideration of the need for anti-lock brakes on B-Doubles, and the conclusion that such brakes should only be required on the prime mover (truck tractor)

consideration of the driving hours (renamed hours of work) which include consideration of the recommendation for allowable hours to be increased to 14 hours in the eastern states and 16 hours in the western states.

4.3 Registration and Licensing

One of the most difficult areas being addressed by the Commission is the establishment of the national registration and licensing scheme throughout Australia. Presently, jurisdictions have a wide variety of mechanisms and procedures for registration of vehicles, and in many instances these mechanisms and procedures are incompatible. Work is proceeding to establish a uniform system and this system is expected to take more than 18 months to implement.

Similarly, despite efforts over recent years, driver licence categories vary throughout the country. A national heavy vehicle drivers license scheme was introduced about 12 months ago, and this scheme will be enhanced. Under the scheme, a driver of a heavy vehicle may hold only one licence, whereas previously it was common for a driver of a heavy vehicle to hold multiple licences issued by various States. The drivers license would be linked to the drivers log book, the method by which hours of work are enforced.

5. CONCLUDING COMMENTS

Reform of the regulation of Australian road transport is at a delicate stage. The establishment of the Commission was only the first step in achieving that reform. Each of the States must now pass its complimentary legislation to ensure that the reform process achieves its objective. Passage of the necessary legislation over the next 12 months is fraught with difficulties and will determine the likelihood of the process succeeding.

The model now adopted in Australia follows many years of attempting to achieve uniformity or consistency by co-operative methods. These methods have been shown to have shortcomings and impose significant costs on movement of goods in Australia. The new model is designed to overcome these shortcomings.

Invitation

Members of the international community are invited to contact the Commission should they seek information in relation to regulation of road transport in Australia. We would also welcome discussions with overseas researchers and administrators visiting Australia. The contacts for the Commission are:

National Road Transport Commission
326 William Street
MELBOURNE Victoria 3000
AUSTRALIA

Postal Address: P O Box 12387 Abeckett Street
Melbourne, Vic, 3000
Telephone: +613 321 8444
Fax: +613 326 8964