National Farmers Federation



5 August 2022

National Heavy Vehicle Regulator PO Box 492 Fortitude Valley QLD 4006

Via email: info@nhvr.gov.au

RE: Submission to the National Heavy Vehicle Regulator's Review of Livestock Mass, Dimension and Loading Arrangements

The National Farmers' Federation (NFF) welcomes the opportunity to provide a submission to the National Heavy Vehicle Regulator's (NHVR) Review of Livestock Mass, Dimension and Loading Arrangements.

The NFF is the voice of Australian farmers. The NFF was established in 1979 as the national peak body representing farmers and more broadly, agriculture across Australia. The NFF's membership comprises all of Australia's major agricultural commodities across the breadth and the length of the supply chain. Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council, and these organisations form the NFF.

The NFF represents Australian agriculture on national and foreign policy issues including trade and economics, workplace relations and natural resource management. Our members complement this work through the delivery of direct 'grass roots' member services, as well as state-based policy and commodity-specific interests.

Australian agriculture is heavily reliant on functioning and effective freight and logistics. Australian agriculture exports 75% of farm-gate output, yet Australia has some of the world's most inefficient freight supply chains. Our international competitiveness is severely diminished by freight and supply chain inefficiencies, with more than half of the final price of some commodities going to freight and logistics.

Heavy vehicle regulation is one of the few supply chain productivity levers that is within the Government's direct control, and remains a policy priority for the NFF. The NFF <u>2030 Roadmap</u> – the strategic vision for growing Australian agriculture to a \$100 billion industry by 2030 – sets the target that by 2030 Australia's freight cost per tonne-kilometre will be competitive with major agricultural exporting nations. To achieve this target, we must identify and capture cost reduction opportunities which will facilitate supply chain efficiencies and increase productivity.



Whether livestock producers transport their own livestock or utilise commercial operators, supply chain costs and inefficiencies are ultimately passed down to farm businesses who have little (if any) power over the price they pay for freight and logistics. This impacts the viability of farm businesses who are forced to absorb cost increases into their business' margins.

National heavy vehicle law reform creates an opportunity for incremental increases in supply chain efficiency and global competitiveness, through decreasing the regulatory burden and cost of compliance for heavy vehicle operators. This in turn enables livestock producers to increase their bottom line.

The following submission provides policy principles which ensure any proposed reforms are considered in regard to their broader impact on Australian livestock producers and supply chains.

We further refer the NHVR to submissions from NFF member organisations, including peak livestock commodity bodies and state farming organisations, for substantive feedback regarding the practicalities and impacts of the proposed reform options.

Policy principles

The NFF notes the NHVR's 'preferred options' for reform referred to in the *Review of Livestock Mass, Dimension and Loading Arrangements Discussion Paper* ('Discussion Paper').

The NFF strongly recommends that the proposed reforms to Heavy Vehicle National Law (HVNL) be considered through the lens of the following policy principles, with a view to keeping the impact of reforms on livestock producers front-of-mind.

The NFF recommends that national heavy vehicle regulation reform, particularly in the context of Australian livestock supply chains, should:

- support harmonised transport regulation and arrangements across state and territory borders, where harmonisation will reduce unnecessary regulatory burden, reduce value chain bottlenecks and lower the ever-increasing cost of freight and logistics for the Australian livestock industry;
- consider first and foremost the impact of reforms on livestock producers, acknowledging that their bottom line will suffer the cost of reforms which inadvertently increase operators' administrative burden or decrease supply chain productivity;
- provide scope for the Australian livestock supply chain to access productivity gains that will improve our global competitiveness; and
- support a continued focus on improving safety and maintaining positive animal welfare outcomes for Australian livestock during transport.

Although beyond the scope of this review, in light of the current biosecurity risk to Australian livestock posed by foot-and-mouth disease, the NFF recommends the need to reinforce biosecurity protocols during the transport of Australian livestock throughout the supply chain. This is particularly pertinent to livestock loading and unloading arrangements, vehicle washout areas, and the education of heavy vehicle operators.

Industry priorities

Defining livestock (Discussion Paper, section 6)

The NFF supports the NHVR's proposal to work with state and territories and industry members to establish a single national list of livestock definitions, with aim to remove barriers to cross-border transport.

The regulation of conditions within a HVNL notice (Discussion Paper, section 7)

While a standard HVNL notice includes conditions on eligible heavy vehicle types, mass and dimension limits, each state livestock notice incorporates a state-specific livestock loading scheme. State-based livestock loading schemes include conditions beyond standard mass and dimension limits, or 'non-HVNL matters.'

For example, livestock loading schemes commonly include requirements to comply with animal welfare protection regulation. Operators must comply with state-based animal welfare protection legislation regardless of whether this is prescribed in livestock loading scheme requirements. Further, in New South Wales, Victoria and Tasmania, livestock loading schemes include additional driver training requirements. Such training is invariably covered by state licencing requirements and often supplemented by specific livestock vehicle operator training undertaken by individual commercial operator companies.

The differences in state schemes create inefficiencies and impede cross-border transport by requiring operators to comply with duplicate scheme elements (e.g. completing different driving training modules in two or more states).

The NFF supports removing scheme requirements as a notice condition, to reduce the duplication of requirements already provided in state-based laws. This aligns with the NHVR's preference to cease the regulating of elements of livestock transport schemes outside the scope of a HVNL access notice.

The discontinuation of livestock loading schemes would complement the national harmonisation of other HVNL elements, such as eligible heavy vehicles and mass and dimension conditions. However, in lieu of appetite for this holistic reform, such

elements can be retained in state notices and the non-HNVL matters removed to reduce duplication.

Mass limits (Discussion Paper, section 8)

Mass limit differences inhibit cross-border transport. We note the NHVR's example, that a road train carrying livestock may use volumetric loading in Queensland but is limited to prescriptive numerical mass limits similar to Higher Mass Limits when crossing into New South Wales.

The NFF agrees with the NHVR assessment that inconsistent mass limits impact the productivity of interstate livestock transport and reduce the competitiveness of local businesses and industries where mass limits are lower. This results in operators being limited to the lowest mass limit among the states in which they are travelling.

Harmonisation of mass limits under NHVL is the solution if harmonisation favours the highest jurisdictional limit. Harmonisation which favours the 'lowest common denominator' would decrease the efficiency of cross-border freight and increase costs for farmers, and as such, the NFF would be opposed to such recommendations.

We acknowledge the NHVR's assessment that initial industry feedback favours volumetric loading over numerical mass limits. National volumetric mass limits would address several key issues for the loading and transport of livestock.

Volumetric loading can better enable operators to consistently comply with mass limits, by eliminating the difficulty of accurately determining loaded numerical mass when loading on-farm. Additionally, volumetric loading supports animal welfare as it enables the livestock to be loaded closely together to support one another while being transported.

We further support the NHVR's assessment that the impact on road infrastructure is likely to be minimal, particularly when considering the broader range of factors that govern livestock transport.

Eligible vehicles (Discussion Paper, section 9)

Eligible livestock transport vehicle types vary between state and territories. The differences extend to eligible combination types, axle group types, mass and dimension limits and other equipment requirements.

The NFF broadly supports the development of a national notice with a uniform set of eligible vehicles, as a means to provide efficient and seamless cross-border access for livestock vehicles.

Road networks (Discussion Paper, section 10)

The NFF welcomes the review's focus on supporting road managers and improving access arrangements, specifically reducing the need for permits by gazetting more roads under notice. Gazetting more roads under notice can immediately and significantly improve farmers' ability to get their livestock to market.

The NFF strongly supports a focus on improving the capability of road managers, timely decision-making for necessary permits and access applications, and the development of centralised resources to help local governments with road access decisions.

Programs which support domestic freight pinch-points such as first-and-last mile access provide important incremental improvements to the freight challenge. Noting the intent of the Transport for New South Wales' Farm Gate Access initiative, this approach could be adopted to improve livestock transport access in other states and territories. This would however require further evaluation, investigation, and industry consultation.

The NFF thanks the NHVR for the opportunity to provide feedback to this important review. The policy contact for this matter is Charlotte Wundersitz, Policy Officer (Trade & Economics) via e-mail: cwundersitz@nff.org.au or phone: (02) 6269 5608.

Regards,

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National Farmers' Federation