

B9 Road Transport

B9.1 Development of the road transport reform program

The national road transport reforms originated with the Heavy Vehicles Agreement and Light Vehicles Agreement signed by Heads of Governments in 1991 and 1992 respectively. These national programs were subsequently incorporated into the NCP through the *Agreement to Implement the National Competition Policy and Related Reforms*. However, this Agreement did not detail the specific reform obligations associated with each of the three tranches of NCP payments.

The Heavy Vehicles Agreement provided for the development of uniform or consistent national regulatory arrangements for vehicles over 4.5 tonnes gross vehicle mass. It also established the National Road Transport Commission (NRTC) to develop the road reform programs and the Ministerial Council for Road Transport (MCRT) to oversee implementation of the reforms and the NRTC. The Light Vehicles Agreement extended the national regulatory approach to cover light vehicles.

The categories of the NRTC's national road transport reform package are conveniently described as six modules, covering:

- registration charges for heavy vehicles;
- transport of dangerous goods;
- vehicle operations;
- heavy vehicle registration;
- driver licensing; and
- compliance and enforcement.

The original notion of implementing national reforms via the adoption of national template legislation was overtaken as individual States and Territories and the Commonwealth employed combinations of legal instruments to make their own road transport (and other) laws achieve the uniform or consistent transport operating conditions for road users intended by the national model. As a result, the pace of implementation varies across jurisdictions, owing to the particular legal processes and constraints in each jurisdiction.

Various elements of the NRTC modules and related reforms were collectively agreed by the jurisdictions as priorities for accelerated implementation nationally. The first Ten Point Plan in October 1994 was followed by a second Ten Point Plan endorsed by the MCRT in February 1997. These two Plans, together with the 11 other remaining elements of the six modules, set out some 31 initiatives identifiable as national road transport reforms. Some of these, in particular Increased Mass Axle Limits and Heavy Vehicle Registration Charges, are noted for their complexity, importance and major economic and financial significance.

Because of concerns about slippage in reform implementation, the Council wrote to Heads of Government to seek their agreement to a specific NCP program for delivery of road transport reforms. Governments charged the Standing Committee on Transport (SCOT) with developing an assessable framework of reforms for endorsement by the Council of Australian Governments (COAG).

The SCOT Working Group selected from the 31 national road transport reforms to develop a 19 Point Plan as the framework for the NCP second tranche assessment. The 19 Point Plan was supported by the Australian Transport Council (ATC) in December 1998, and endorsed by COAG in May 1999.⁴⁶ The 19 Point Plan comprises all road transport reforms approved by Ministers and available for implementation, with the exception of the Registration Charges reform which was assessed under the first tranche. Thus the implementation progress of these reforms is not necessarily (nor was it intended to be) indicative of the implementation progress of the whole package of national reforms.

Assessment of each jurisdiction's progress in implementing the 19 Point Plan as at 30 June 1999 provides a 'snapshot' relevant to determining their eligibility for receiving second tranche NCP payments. Although payments are not relevant for the Commonwealth, the Council's assessment includes the Commonwealth, as it is a party to the NCP Agreements. Implementation of reforms by the Commonwealth is integral to the national reform program and some of the 19 Points insofar as they are related to the Federal Interstate Registration Scheme.

The NRTC is continuing to develop the national reform package in conjunction with the jurisdictions. Further reform elements will be made available for implementation following their support by the ATC. In this interactive and evolving way, newly available reforms, and the remainder of the current 31 reforms where they are endorsed by COAG, will be added to the 19 Point second tranche framework, and the target dates and implementation criteria updated prior to the third tranche assessment.

B9.2 The Second Tranche Assessment Framework

Heads of Government established an Assessment Framework specifying the content of each of the 19 Points, including criteria for successful implementation and target dates, by which the Council is to make its assessment. Rather than a literal interpretation of whether every reform, criterion and date is achieved, the Assessment Framework provides for a broader contextual assessment reliant upon self-reporting of progress by each jurisdiction.

The 19 assessable reforms are set out in Box B9.1 below. The fact that reforms 6, 7 and 14 have recently been incorporated in an enhanced Combined Truck and Bus Driving Hours reform is not taken to mean that the earlier three reforms have been superseded for the purpose of this assessment. They are still considered relevant for the assessment even though there is now enhanced reform activity work to be done in the future. The new Combined Driving Hours Regulations is not assessable here.

⁴⁶ The endorsement by the Premier of Western Australia was conditional on some assessment interpretation issues.

Similarly, the new Combined Vehicle Standards reform does not supersede the accessibility of Reform 5.

Exemptions from the 19 point Assessment Framework

The Council is aware of endorsed exemptions from the 19 point Assessment Framework for Western Australia, ACT and the Northern Territory. Each jurisdiction has three exemptions, meaning that each has 16 assessable reforms.

Western Australia and the Northern Territory received formal (unconditional) exemption at the outset for Truck Driving Hours Reform 6. The two jurisdictions are also widely assumed to have an exemption for the Bus Driving Reforms (7 and 14). This is because the NRTC's proposed regulatory approach for buses, largely based on prescriptive hours, was met with low industry acceptance in Western Australia and was considered to have high implementation costs. As Western Australia has its preferred regulatory approach already in place, the exemption for Truck Driving Hours was assumed to extend to buses. The situation in the Northern Territory was similar.

The ACT has claimed that reforms 6, 7 and 11 have been deemed 'not applicable' to it and that this 'exempt' status is reflected in the Assessment Framework. The ACT had no previous regulation in these areas. It considered it not cost effective to introduce new law, among other things, because driver fatigue management necessarily relates to trips beyond the ACT's borders. Instead, the ACT has obtained de facto coverage by making administrative arrangements with New South Wales for coverage of interstate trips that encompass the ACT.

The Council accepts that the assessment basis for Western Australia and the Northern Territory should exclude the Bus Driving Reforms as well as the Truck Driving Reform excluded at the outset. Both jurisdictions have implemented comparable codes. Similarly, the Council accepts for second tranche assessment purposes the ACT's statement that it has achieved de facto delivery of reforms 6, 7 and 11.

Box B9.1 Second Tranche Road Transport Assessment Framework

Reform 1: A national package (Act/regulations/code) for the carriage of dangerous goods by road.

Reform 2: As far as practical, uniform or consistent national procedures and requirements for the registration of heavy vehicles.

Reform 3: Uniform national requirements for key driver licensing transactions including issue, renewal, suspension and cancellation (excluding learner and novice drivers).

Reform 4: Common Mass and Loading Regulations, which impose mass limits for vehicles and combinations, Oversize and Overmass Regulations and Restricted Access Vehicles Regulations, covering the operating requirements for larger vehicles.

- Reform 5:** Uniform in-service heavy vehicle standards.
- Reform 6:** Nationally consistent legislative and administrative arrangements for managing truck driver fatigue. Subsequent regulations combine truck and bus driving hours.
- Reform 7:** Nationally consistent regulation for managing fatigue among drivers of larger commercially operated buses. Subsequent regulations combine truck and bus driving hours (also reform 14).
- Reform 8:** National mass and dimension limits for heavy vehicles.
- Reform 9:** Common and simplified licence categories and improved processes to eliminate the holding of multiple licences by a single driver.
- Reform 10:** Expansion of “as-of-right” access for B-doubles and other approved large vehicles.
- Reform 11:** National in-service pre-registration standards (for heavy vehicles).
- Reform 12:** Common roadworthiness standards through adoption of roadworthiness standards and guidelines, together with mutual recognition and consistent enforcement.
- Reform 13:** Enhanced safe carriage and restraint of loads through standard regulations and a practical guide for the securing of loads to apply throughout Australia.
- Reform 14:** Adoption of national bus driving hours (subsequently included in the Combined Driving Hours Regulations with Reforms 6 and 7).
- Reform 15:** Simplified cost-free interstate conversions of driver licences.
- Reform 16:** Support by jurisdictions for development of alternative compliance systems.
- Reform 17:** Options for 3 and 6 month registration to provide operational flexibility.
- Reform 18:** Provision for employers to obtain limited information about an employee’s driver licence status, with employee consent.
- Reform 19:** Agreement to link State/Territory databases to enable automatic exchange of vehicle and driver information through the National Exchange of Vehicle and Driver Information System (NEVDIS) – Stage 1.

B9.3 The Council’s approach to assessing progress

The Council looks for ‘effective observance’ of the reforms in assessing NCP performance. The Council considers that ‘effective observance’ means virtually 100 per cent demonstrated achievement of each of the intended reform outcomes ‘on

the ground' with legal enforceability, by the target date specified in the Assessment Framework.

The Council's assessment considers jurisdictions' progress in implementing the required components of each assessable reform as set out in the Assessment Framework, together with the predetermined criteria for successful implementation and the target dates. These criteria are defined in the matrices developed by the SCOT Working Group and endorsed by COAG. The assessment also involves the Council confirming the assessable reforms for each jurisdiction, as some of the jurisdictions have claimed exemptions, and checking the formal grounds for any exemptions.

The Council has assessed progress with implementation of the 19 Points at 30 June 1999 (the second tranche assessment date), there is a later target date set out in the Assessment Framework for some reforms. Target implementation dates later than 30 June 1999 apply in the case of Reforms 9, 13 and 15 (all July 1999) and Reforms 2 and 3 (December 1999). Usually, the target date is six months or so from the time of either ATC approval (that is, when the reform becomes available), or from the time of passing of legislation (thereby allowing time for regulations/rules, administrative systems, enforcement arrangements etc, to be developed and put in place).

The dates are targets rather than binding timetables on governments. However, many of the 19 reforms have been available for periods well in excess of a year (in some cases for several years) prior to 30 June 1999. For example, Reform 13 – Enhanced Safe Carriage and Restraint of Loads – became available for implementation in October 1994, as did many of the reforms in the first 10 Point Plan endorsed by Ministers at that time.

Having confirmed the basis and timing for the assessment, the Council looked to the extent of compliance. The Council relied heavily on information on progress to 30 June 1999 provided in State and Territory annual reports, information from the Commonwealth and evidence of 'on the ground' progress provided by other parties, including the road transport industry.

The Council's assessment was hampered to some extent by a majority decision taken by the ATC that the Council should not have direct access to the NRTC. As the body responsible for, among other things, developing the package of uniform or consistent national rules and regulations for road transport and evaluating implementation, the NRTC is well placed to provide information useful to the Council in clarifying the scope of the endorsed reform framework. The Council considers there are benefits in the ATC reconsidering the matter of access to the NRTC. A more collaborative approach, generally, will assist achievement of agreed NCP reforms, and in the case of road transport, will assist achievement of the benefits of greater national uniformity/consistency in regulation.

The Council considered timeliness, as measured against the target dates, to be very important given the delays of the past. However, the Council recognised that the Assessment Framework emphasises the target date for implementation needs to be considered in relation to the date that the reform first became available for implementation. Thus, the Council did not necessarily assess jurisdictions as having

failed to comply where a confirmed implementation program extends beyond the target date.

Furthermore, the Council sought to encourage implementation, rather than assess a jurisdiction as having failed on technicalities. In particular, where a jurisdiction indicated that a certain reform would not be (100 per cent) completed by 30 June 1999, but that progress is well advanced and completion is expected prior to end-December 1999, the Council did not necessarily see that jurisdiction as failing to meet its second tranche obligations.

Thus, the Council has evaluated each jurisdiction's performance according to the categories below.

- All assessable reforms in the 19 Point Plan were complete by 30 June 1999.
- Some assessable reforms were not complete by 30 June 1999, but implementation in line with the Assessment Framework is well advanced and is confidently expected to be complete by January 2000 at the latest. That is, the jurisdiction's program will be complete by the latest target end date in the Assessment Framework.
- At least one key element of the assessable reforms was absent at 30 June 1999 and there was no commitment to implement the particular reform (where the jurisdiction did not have an approved exemption from the reform).
- Some assessable reforms were not in place by 30 June 1999 and, while there is full commitment to the reform, implementation is not expected to be complete by January 2000.

B9.4 Progress against the Assessment Framework

All States and Territories have been assessed against the 19 reforms except where there are approved exemptions to the program. The approved exemptions – which relate to Western Australia, the Northern Territory and the ACT – were discussed in section B9.2.

The Commonwealth has 9 assessable reforms. It has no role in the other 10 of the 19 reforms as its obligation applies only in respect of heavy vehicles that operate exclusively across State boundaries.

At 30 June 1999, the reports from jurisdictions indicated that only New South Wales and Victoria had fully implemented all 19 reforms. All other jurisdictions have implemented the bulk of their assessable reforms, although not always in every legal detail as set out in the Assessment Framework or by the target implementation date. At 30 June 1999:

- Queensland had implemented 16 of the 19 reforms, with another three reforms to be completed by December 1999;

- South Australia had implemented 14 reforms in full,⁴⁷ with the remaining five expected to be substantially finalised by September 1999, although South Australia anticipates that full implementation of reforms 2 (heavy vehicle registration) and 3 (uniform driver licensing transactions) may not occur until 2000 because they require complex computer reprogramming;
- Tasmania had completed 16 of the 19 reforms, with another two reforms to be completed by December 1999, in line with the target implementation date;
- Western Australia had nine of 16 reforms in place, with the remaining seven expected to be implemented by January 2000;
- ACT had 12 of its 16 reforms in place, with the balance to be implemented by December 1999; and
- Northern Territory will have 15 of its 16 reforms in place by July 1999.

According to the Commonwealth, its program will only be completed by 'early to late 2000'. The Commonwealth explained the uncertainty in the implementation date of its reform program as reflecting the need for comprehensive inter-jurisdictional consultation around the current review of the *Interstate Road Transport Act 1985* being undertaken by the Attorney General's Department, and the timing uncertainties associated with introducing amending legislation.

The Commonwealth stated that introduction of reforms 2, 4 and 5 is awaiting finalisation of the review of the Interstate Road Transport Act. In addition to identifying amendments necessary for the implementation of these reforms, the review is to examine options to increase the future effectiveness of this Act and the Federal Interstate Registration System, primarily in response to complaints from States and Territories. The Commonwealth emphasised its commitment to achieving the reforms.

Apart from matters of timing, two jurisdictions reported that they are not intending to implement certain elements of the agreed reform program.

- Tasmania stated that it sees no need to mandate use of driver log books (Reform 6); and
- the Northern Territory said that it is yet to determine its approach to the core 'demerit points' element of national driver licensing reform (Reform 3).

Tasmania indicated to the Council that it has a longstanding policy of not adopting logbooks for recording truck driving hours, and that this has been communicated to the NRTC for some time. The vote recorded by Tasmania's Transport Minister in

⁴⁷ For South Australia, the Council has assessed interim partial reforms (numbers 5, 6, 7 and 14) as complete for this assessment. South Australia stated that it is implementing these reforms, which are now superseded, through the new combined reforms. Legislation to adopt the combined reforms was introduced into the South Australian Parliament in March 1999 and reform implementation is expected by September 1999.

December 1995 on Truck Driving Hours Policy, contained a qualification that the national regulations contain an appropriate mechanism by which Tasmanian intra-state operations can be exempt from log book requirements. However, the Council could find no record that an exemption from the reform had been approved for Tasmania.

Following consultations with jurisdictions, the Council is satisfied that these are the key reforms not yet implemented for the purposes of the second tranche assessment. However, the Council does not rule out the possibility that a more exhaustive analysis might reveal minor aspects of the other reforms that have been set aside by jurisdictions.

Table B9.1 outlines jurisdictions' implementation progress at 30 June 1999, as derived from jurisdictions' annual reports and the Council's subsequent analysis. The table indicates the reforms 'complete' as at 30 June 1999 and those that are still to be completed. The table also sets out the expected implementation dates for reforms not fully in place at 30 June 1999, and the areas of the agreed Assessment Framework that jurisdictions are not proposing to implement.

The Council received comment from the Australian Trucking Association (ATA) that, while many road reform initiatives are implemented, there are several remaining impediments and gaps. A central theme of the ATA's comments is that the 19 reforms endorsed by governments represent a significant watering down of the road reform program as originally intended. The ATA is also concerned that some jurisdictions have not implemented important components of the road transport reform program, contrary to the advice provided by the jurisdictions to the Council. In particular, the ATA questions the extent of implementation of:

- the national program for the carriage of dangerous goods (reform 1) by Western Australia;
- registration of heavy vehicles (reform 2) and uniform national licensing (reform 3) by Victoria;
- uniform heavy vehicle standards (reform 5) by Western Australia, South Australia and Tasmania;
- national arrangements for managing truck driving hours (reform 6) by South Australia;
- national heavy vehicle mass and dimension limits (reform 8) by Western Australia and South Australia; and
- national pre-registration standards for heavy vehicles (reform 11) by Western Australia and South Australia.

Given the ATA's comments, the Council 'double-checked' reform progress with jurisdictions to ensure that information is accurate as at 30 June 1999 before concluding its assessment.

Table B9.1 Reported progress against NCP road transport reforms, by jurisdiction

Reform	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Clth
1 Dangerous Goods	Complete	Complete	Complete	Complete	Complete	Complete	Has implemented legislation but requires amendment to Commonwealth law. Being implemented in practice using temporary Emergency Orders	Implemented through Code: regulations due in July 1999	Complete
2 Registration Scheme	Complete	Complete	Effectively in place but rewrite of legislation due Sept 99	Incomplete but due Jan 2000	Incomplete. Expected Sept 99, but may not occur in full until 2000 due to computer programming demands	Incomplete but due Dec 99	Incomplete but due Dec 99	Complete	Incomplete but due Dec 2000
3 Driver Licensing	Complete	Complete	Incomplete. Variable licence suspensions due Dec 99	Incomplete but due Jan 2000	Incomplete. As above	Incomplete but due Dec 99	Incomplete but due Dec 99	Incomplete. Admin guidelines due July 99. Demerit points not implemented	Not applicable – no legal role

Reform	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Clth
4 Vehicle Operations	Complete	Complete	Complete	Incomplete but due Oct 99	Incomplete but due Sept 99	Due for June 99 completion	Mostly implemented. Due Dec 99	Complete	Incomplete but due Dec 2000
5 Heavy Vehicle Standards	Complete	Complete	Incomplete – emission standards due Sept 99.	Incomplete but due Oct 99	Complete	Complete	Complete	Complete	Incomplete but due Dec 2000
6 Truck Driving Hours	Complete	Complete	Complete	Not applicable – uses comparable code	Complete	Incomplete. Log books not mandated	'Not applicable' claim	Not applicable – uses comparable code	Not applicable – no legal role
7 Bus Driving Hours	Complete	Complete	Complete	Not applicable – uses comparable code	Complete	Complete	'Not applicable' claim	Not applicable – uses comparable code	Not applicable – no legal role
8 Common Mass & Load Rules	Complete	Complete	Complete	Complete	Incomplete but due Aug 99	Complete	Complete	Complete	Complete
9 One Driver/ One Licence	Complete	Complete	Complete	Incomplete. Due Jan 2000	Complete	Complete	Incomplete. National driver licence classes due Dec 99	Complete	Not applicable – no legal role

Reform	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Clth
10 Improved Network Access	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete
11 Common Pre-Reg Standards	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Not applicable – no legal role
12 Common Roadworthiness Stds	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Not applicable – no legal role
13 Safe Carriage & Restraint of Loads	Complete	Complete	Complete	Incomplete but due Jan 2000	Incomplete but due Aug 99	Complete	Complete	Complete	Participation complete
14 National Bus Driving Hours	Complete	Complete	Complete	Not applicable – uses comparable code	Complete	Complete	‘Not applicable’ claim	Not applicable – uses comparable code	Not applicable – no legal role

Reform	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Clth
15 Interstate Conversions Of Driver Licences	Complete	Complete	Incomplete. Proposal to implement the no licence fee reform by Dec 99 under consideration	Incomplete but due Jan 2000	Complete	Complete	Complete	Complete	Not applicable – no legal role
16 Alternative Compliance	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete
17 Short Term Registration	Complete	Complete	Complete	Complete	Complete	Due for June 99 completion	Complete	Complete	Complete
18 Driver Offences/ Licence Status	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Effective, with privacy guidelines due July 99	Not applicable – no legal role
19 NEVDIS Stg 1	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Not applicable – no legal role

B9.5 The Council's recommendations on compliance with road transport obligations

This section outlines the Council's recommendations on jurisdictions' implementation of their road transport reform obligations against the four assessment categories set out in section B9.3. Because the ATC did not agree to the Council having access to the NRTC, the Council's analysis necessarily relies heavily on the information provided in government's annual reports. The Council has also taken into account the views of the ATA on observed progress with 'on the ground' implementation of reforms discussed earlier in this chapter.

Progress with compliance

The evidence available to the Council indicates that most of the second tranche road reform program endorsed by COAG is in place at 30 June 1999. Across all jurisdictions, taking into account the formalised and practical exemptions from the reform program, at least 125 of the 152 reforms – over 80 per cent – comply with the Assessment Framework in that the required elements have been satisfactorily implemented on time or ahead of time.

Nonetheless, while progress against most reforms is generally satisfactory, the Council's analysis – based on jurisdictions' reporting – indicates that only New South Wales and Victoria have so far completed their entire programs. The other States and Territories are scheduled to complete their second tranche programs at various times over the period to January 2000, and the completion date for the Commonwealth could be as late as the end of 2000. Moreover, two States and Territories have so far only committed to partial performance in that they are not proposing to implement all aspects of the agreed reform package and do not have a formal exemption for the elements not implemented.

Thus, while the bulk of the second tranche program is now in place, full implementation may not occur until late in the year 2000, although this is primarily the consequence of the need for the Commonwealth to undertake extensive inter-jurisdictional consultations. Table B9.2 provides a summary analysis of the delayed or incomplete reforms, by jurisdiction. The section of the table headed 'Comment' provides a summary of the current status of those reforms at 30 June 1999.

While there has been useful progress, the Council is concerned at the potential for further delay. Delay would mean costs to industry, road users and administrators, for example, arising from inconsistencies in parameters such as limits, penalties, administration and operating costs, safety and emission controls. In addition, the lack of uniformity in fees could distort fee collection by jurisdictions. Comments by the ATA emphasise the risk that a lack of uniform or consistent regulation, should agreed reforms be delayed in some jurisdictions, will adversely affect the competitiveness of Australia's road transport operations. The Council gives considerable weight to national uniformity/consistency of road transport regulation in assessing jurisdictions' reform performance.

Table B9.2 Analysis of incomplete or delayed reforms, by jurisdiction, at 30 June 1999

	Reform	Likely date	Comment
Qld	3 Driver Licensing	Dec 99	Has scheme similar to national licensing except for variable licence suspensions, delayed with computer system development
	5 H V Standards	Sept 99	Implemented except for emission standards which became available in Mar 99
	15 I/S Conversion Licences	Dec 99	Not implemented 'no licence fee' driving licence conversion but has undertaken to consider a proposal incorporating the reform for possible implementation by Dec 99
WA	2 Registration Scheme	Jan 2000	Act amendments due in second half of 1999 but competing legislative priorities
	3 Driver Licensing	Jan 2000	Act amendments due in second half of 1999 but competing legislative priorities
	4 Vehicle Operations	Oct 99	Mostly in effect; drafting of instructions for amended regulations is underway
	5 H V Standards	Oct 99	Mostly in effect; drafting of instructions for amended regulations is underway
	9 One Driver/One Licence	Jan 2000	Linked to Reform 3
	13 Safe Carriage	Jan 2000	Regulations disallowed by Parliamentary Committee; Act amendments needed. Linked to Reform 2
	15 I/S Conversion Licences	Jan 2000	Linked to Reform 3
SA	2 Registration Scheme	Sept 99	Bill is on its way to being passed. Regulations have been drafted ready for use. Computer programming demands may defer actual implementation until 2000
	3 Driver Licensing	Sept 99	Same Bill as Reform 2. Computer programming demands may defer actual implementation until 2000
	4 Vehicle Operations	Sept 99	Mostly in effect; the maximum limit of the reform has been referred to NRTC for review

	Reform	Likely date	Comment
	8 Common Mass & Load Rules	Aug 99	Mostly in effect for permit vehicles but not yet applicable to general access vehicles. Legislation in Parliament
	13 Safe Carriage	Aug 99	Parliament expected to give effect to Regulations shortly
Tas	2 Registration Scheme	Dec 99	Bill is under consideration; funds allocated for system redevelopment
	3 Driver Licensing	Dec 99	Similar to Reform 2
	6 Truck Driving Hours	No date	Truck driving hours are regulated. Drivers' log books have not been not mandated as the alternative controls are considered more cost effective
ACT	1 Dangerous Goods	Dependent on the C'wealth	ACT legislation in place but requires amendment to Commonwealth legislation to be operational. The ACT applies the reform in practice, pending amendment to the Commonwealth legislation, using 6 monthly Ministerial Emergency Orders
	2 Registration Scheme	Dec 99	Some regulations have been implemented and there is an ongoing commitment and progress towards 100 per cent completion
	3 Driver Licensing	Dec 99	Draft legislation is in progress utilising the New South Wales approach
	4 Vehicle Operations	Dec 99	Progressively applying New South Wales practices where applicable
	9 One Driver/One Licence	Dec 99	Will adopt final element of reform, 'national driver licence classes', as part of Reform 3

	Reform	Likely date	Comment
NT	3 Driver Licensing	No date	Implemented except for administration guidelines on the use and release of information due July 1999 and the 'demerit points' element which the Northern Territory Government is still considering
Clth	2 Registration Scheme	Dec 99	Changes are planned in the context of a review of the IRT Act (FIRS) currently underway. Consultation will follow, then amendments to legislation
	14 National Bus Driving	Dec 99	As for Reform 2
	5 H V Standards	Dec 99	As for Reform 2

Note: HV – Heavy vehicles; I/S – Interstate; IRT Act – *Interstate Road Transport Act 1985*; FIRS - Federal Interstate Registration System

Assessment of performance by jurisdiction

In formulating its assessments and consequent recommendations on payments, the Council took account of a number of considerations, including:

- the degree of difficulty of a reform vis-à-vis a jurisdiction's existing legislation and processes for change;
- the significance of the reform being incomplete nationally;
- the interdependency of jurisdictions and agencies and the reasons for delay, particularly where delay is outside a jurisdiction's control;
- each jurisdiction's progress with the total road reform program beyond the 19 Points; and
- whether evidence of good faith generally across the program warrants discretion for jurisdictions experiencing delays with particular reforms where they have in place a firm timeframe for implementation (albeit beyond 30 June 1999).

For the Council, however, the overriding consideration is the importance to the nation as a whole of all jurisdictions achieving a common regulatory platform consistent with the ATC Assessment Framework. The cost of fully implementing the 19 reforms is likely to be minor relative to the potential gains to governments (including from competition payments), industry and ultimately consumers. In addition, all governments agreed the 19 point framework as the basis for the second tranche assessment. Accordingly, the Council takes the view that, to be assessed as fully complying, each jurisdiction needs to have made a wholehearted contribution to achieving the common platform.

The Council considers that any cessation/suspension of key elements of the agreed road reform program (particularly on cost of implementation grounds) would contravene the principle of national uniformity. Accordingly, except where there are formalised exemptions or accepted alternatives, the Council took the approach that every reform element and success criterion identified in the Assessment Framework must be implemented for the reform to be assessed as complete, and the relevant jurisdiction unconditionally eligible for full competition payments.

Conclusions and recommendations

The Council's assessment of road reform performance has found that only two governments - New South Wales and Victoria - had completed the road transport reform program specified in the ATC second tranche Assessment Framework (as relevant) at 30 June 1999. Most other jurisdictions have implemented the bulk of their programs and are progressing remaining reforms such that most should be in place by late 1999 or, at the latest January 2000.

Where reforms are not in place at 30 June 1999, but are likely within a reasonable (short) period consistent with the ATC target dates, the Council has not recommended payment reductions at this stage. However, the Council will undertake a supplementary assessment prior to 31 March 2000 to determine whether competition payments should continue to be made from that point.

Of greater concern to the Council, because of potentially adverse implications for regulatory uniformity, is that two jurisdictions – Tasmania and the Northern Territory - have not yet given a commitment to implement components of the Assessment Framework (or a satisfactory equivalent). However, in one of these two cases, the jurisdiction is yet to determine its approach and, in the other, the Council believes there was a reasonable expectation on the part of the jurisdiction that the reform not implemented was an exemption from the ATC program.

Accordingly, in each case, the Council recommends that competition payments relevant to the reforms not be reduced pending clarification of the status of the relevant reform. To enable this, the Council is proposing a supplementary assessment prior to 31 March 2000 for each of the two jurisdictions where there is so far no commitment to implement components of the package. In order to demonstrate compliance, and therefore continued receipt of competition payments, each jurisdiction would need to provide evidence either that COAG agrees that the reform is exempt or that, if it is not, the reform is applied.

Jurisdictions with complete implementation of all of the 19 reforms at 30 June 1999

The Council assesses New South Wales and Victoria as complying with second tranche road transport reform obligations.

Jurisdictions where implementation of the majority of reforms is complete at 30 June 1999 and there is a clearly stated program for implementation of all outstanding reforms within a reasonable period. Consistent with COAG endorsed road reform end dates, the Council considers that, for purposes of the second tranche assessment, a reasonable period should be defined as no later than early 2000

There are four jurisdictions in this category.

- Queensland had completed 16 of the 19 reforms by 30 June 1999. For one of the 16 reforms, nationally consistent registration of heavy vehicles, procedures are in operation now, with legislation expected before Parliament in September 1999. Queensland will complete its reform packages covering heavy vehicle standards (emission controls) in September 1999 and driver licensing (variable licence suspensions) by December 1999. Queensland has so far not implemented the no fee element for interstate licence conversions encompassed in reform 15. However, the Government stated that it is preparing a new proposal for licence fee restructuring, which incorporates the Interstate Conversions of Driver Licences reform for consideration by the Queensland Cabinet in September 1999. The Government thought it may be possible to implement this in December 1999.
- South Australia has five reforms still to finalise but is expected to have enacted required legislation and enacted regulations by September 1999. However, South Australia stated that computer programming requirements might delay full implementation of reforms 2 and 3 until 2000.
- Western Australia has seven reforms still to finalise but has committed to implementing in full its 16 relevant reforms by January 2000.

- The ACT will have completed 12 of its 16 relevant reforms by 30 June, and committed to completing its remaining the four reforms by December 1999.

Keeping in mind South Australia's qualification concerning computer programming, these four jurisdictions have expressed a commitment to full implementation of all relevant reforms prior to or by January 2000. Accordingly, the Council recommends that second tranche competition payments not be reduced as a result of the delays, but that payments beyond 31 March 2000 be subject to the relevant jurisdictions providing evidence that the reforms are implemented. The Council would expect South Australia to have satisfactorily advanced its computer programming requirements.

The Council proposes that it undertake a supplementary assessment of road transport reform implementation in these jurisdictions prior to 31 March 2000 to assess whether second tranche competition payments should continue. The Council may recommend to the Federal Treasurer that competition payments be reduced in the event that a jurisdiction has not completed its reform program. The Council's assessment will take into account relevant matters raised by the ATA.

Jurisdictions where implementation of the majority of reforms is complete at 30 June 1999 (including agreement to implement most of those outstanding at 30 June 1999 by early 2000) but where there is so far no commitment to implement one or more of the reforms specified in the ATC Assessment Framework

There are two jurisdictions in this category.

- Tasmania has completed 16 of its 19 reforms by 30 June 1999, with uniform procedures for registration of heavy vehicles and driver licensing expected to be in place by December 1999. However, Tasmania is currently not mandating the use of log books by truck drivers (Reform 6). As discussed previously, while Tasmania has communicated its position on mandating log books the NRTC over a long period, there is no formal exemption from the requirement to mandate log books on the record.

In addition to mandated log books, Tasmania will not complete all other elements of its reform program until December 1999.

- The Northern Territory will have completed 15 of its 16 relevant reforms by July 1999. However, at 30 June 1999 the Northern Territory had yet to decide whether it would implement the demerit points element of the reform introducing nationally uniform driver licensing or seek an exemption (reform 3).

The Council proposes that it undertake a supplementary assessment of road transport reform implementation in both jurisdictions prior to 31 March 2000 to confirm that:

- the reforms where implementation is delayed beyond 30 June 1999 have occurred; and
- the reforms for which there is at present no commitment to implement are either confirmed as formal exemptions from the Assessment Framework or are implemented as specified in the Assessment Framework.

The Council may recommend to the Federal Treasurer that competition payments be reduced in the event that the jurisdictions fail to either confirm there is a formal exemption or implement the outstanding reforms, including any not in place at 30 June 1999. The Council's assessment will take into account relevant matters raised by the ATA.

The obligation to implement all relevant reforms is agreed but the timetable for implementation is unsatisfactory

The only jurisdiction in this category is the Commonwealth. The Commonwealth has expressed full commitment to the nine reforms relevant to it, but has stated only that implementation is to occur 'early to late 2000'. The Commonwealth explained that it is unable to provide a better indication of its expected completion date because of the requirement to consult widely with other jurisdictions in the context of reviewing and reforming the *Interstate Road Transport Act 1985*.

The Council has made no recommendation on competition payments as these are not relevant for the Commonwealth, but proposes to assess progress achieved by the Commonwealth towards its road reform objectives prior to 31 March 2000.

