



30 January 2012

Committee Secretary
House Standing Committee on Infrastructure and Communications
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Parliament House
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Dear Committee Secretary,

The Australian Chamber of Commerce & Industry (ACCI) and its members consider the inquiry into the *Road Safety Remuneration Bill 2011* and *Road Safety Remuneration (Consequential Amendments and Related Provisions) Bill 2011* (the Bills) as matter for a significant public policy debate not limited to the road transport industry.

Through our membership, ACCI represents over 350,000 businesses nationwide, including over 280,000 enterprises employing less than 20 people, over 55,000 enterprises employing between 20 -100 people and the top 100 companies. This includes businesses operating in the transport industry sector and across the supply chain.

In response to the Safe Rates Advisory Group's Directions Paper, "*Safe Rates, Safe Roads*", ACCI provided a detailed written submission which highlighted its concerns with respect to the options which were canvassed in the Directions Paper. ACCI relies upon that submission (attached) in the context of this inquiry and continues to express its concern that the underpinning premise of the legislative proposals is that community safety outcomes, such as reduced injuries and fatalities on Australian roads, can be enhanced through better remuneration and conditions for drivers. ACCI is also concerned that the Government has proceeded by introducing the legislative measures without the co-operation of states and territories and without awaiting the commencement of a range of agreed national industry specific initiatives and strategies.

ACCI has considered the Bills and the Regulation Impact Statement (RIS) accompanying the Bills. The RIS indicates that the proposals appear less certain to deliver improved safety outcomes for road transport industry participants and the wider community, which is the primary objective of the measures. A number of findings from the RIS are drawn to the Committee's attention:

- "*Speed and fatigue are often identified as the primary cause for a crash but it is a much harder task to prove that drivers were speeding because of the manner or quantum of their remuneration ... data at this point in time is limited and being definitive around the causal link between rates and safety is difficult*" (at p.iv).
- "*The costs are significantly(sic) due to higher remuneration rates ... which are likely to be passed on in the supply chain and ultimately paid for by consumers ...*" (at p.vii).

- "Implementation of the WA and Victorian legislation, which include guideline rates and industry codes, has occurred recently and evaluations have not been undertaken, so drawing any firm conclusions regarding their impact would be difficult ... the NSW industry had its rates subject to determination by an industrial tribunal, available data does not allow for a meaningful analysis of performance" (at p.xiv).

The proposals will create significant overlap with existing laws, as they are intended to operate in addition to the *Fair Work Act 2009* (including new safety net industry modern awards and National Employment Standards, unfair dismissal and general protection provisions), the *Independent Contractors Act 2006*, existing occupational health and safety laws, trade practices legislation (as it applies to independent contractors) and existing state based owner-driver regulation.

Any national safety issue for the road transport industry should be pursued through the Australian Transport Council (now the Standing Council on Transport and Infrastructure) and Council of Australian Governments, in conjunction with industry. Ideally the Government should progress safety enhancing objectives through the following agreed national initiatives: the National Heavy Vehicle Regulator and national heavy vehicle laws; National Road Safety Strategy 2011-2020; National Land Freight Strategy; and industry specific occupational health and safety laws/codes of practices (ie. National Transport Commission Guidelines For Managing Heavy Vehicle Driver Fatigue).

ACCI recommends that a truly national consensus and evidenced-based policy approach to a significant community safety issue will deliver the best outcome for all participants and the proposals should be deferred until this has occurred.

Yours sincerely


David Gregory

Director - Workplace Policy