

Bus Australia Network: Review of Assurance Models

Bus Industry Confederation



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Contents

Overview of the Bus Industry Confederation	3
The Bus Australia Network	3
The Review of HVNL – General Comments	4
Q1: Have we covered the issues relating to assurance accurately and comprehensively? If not, what do we need to know?	4
Q2: Is there evidence of third parties, such as site managers, customers or loaders, performing audits on heavy vehicle operators that duplicate certification audits? Can third parties be assured (by an accreditor or certifier, within the HVNL, or some other means) that their audits are unnecessary?.....	5
Q3: Does the HVNL need an assurance scheme? Could the flexibility operators want be achieved simply through performance standards, or are some operators and operations sophisticated or specialised enough to need alternative compliance options? Does technology or vehicles or any other operational area need assurance under the HVNL?.....	5
Q4: Which of the models do you prefer? What should they assure and why? Do you have an alternative model? Who should perform the key roles in an HVNL assurance scheme?.....	5
Q5: Fully developing a new assurance scheme could take a long time, even if writing it into law is relatively simple. What can we use from what we have, and how can we transition to the desired end-state?	6

Bus Industry Confederation

Overview of the Bus Industry Confederation

The BIC represents the interests of the bus and coach operators, manufacturers and suppliers to the industry in Australia.

The BIC Objectives are to:

- promote the development and viability of the bus and coach industry in Australia
- foster public understanding of the contribution made by the bus and coach industry to Australia's economy, society and environment
- promote and support industry related research and development
- promote the use of public transport as a viable alternative to the motor car
- promote policies and actions that are environmentally responsible
- encourage investment in public transport infrastructure
- foster and promote a viable Australian bus manufacturing industry.

The Bus Australia Network

The *Bus Australia Network* (BAN) consists of the bus associations of New South Wales, Victoria, Queensland, Tasmania, South Australia and Western Australia and the federal representative body, the *Bus Industry Confederation* (BIC).

The BIC and State Association members carry more than 1.5 billion urban public transport passengers per year and makes up 5 per cent of the total urban passenger task. The coach sector of the bus industry, comprising long distance, tourist and charter operators moves more than 1.5 million domestic travellers and makes up 8 per cent of the total non-urban passenger task. The school bus is the second most popular mode for travel to school after the car with about one quarter of all school children traveling to school by bus.

The Bus Industry, which includes bus operators, bus manufacturers and parts and service suppliers, employs more than 50,000 people nationally. The BAN promotes the efficient and sustainable growth of public transport in Australia as well as the benefits of bus and coach transport.

Generally, the bus and coach industry is divided between the contracted sector (bus operators who have a contract with a relevant State or Territory Government to provide regular passenger or school bus services) and the non-contracted sector which undertakes long distance, tourist and charter services, and also non-government contract school bus services, often for private schools. In most states and territories bus and coach operators must be accredited to undertake public passenger services, irrespective of the type of bus service being provided.

There is some overlap between the two sectors of the industry. For example, some contracted bus operators also undertake charter work. The industry also includes new types of bus transport; for example, "On-Demand" bus services are currently being trialled in NSW and are included in some new contracts; and in Victoria, the industry is taking a lead with such services through the introduction of a demand responsive transport booking platform.

There is also a significant variation in the size of operators within each sector. The contracted sector can involve metropolitan operators with more than 1,000 buses through to rural operators with one school bus. Likewise, in the long distance, tourist and charter sector, there are operators with vehicle numbers ranging from one to several hundred.

Therefore, in addition to a significant difference between a truck and a bus, there are also differences within the bus and coach sector that require consideration when reviewing the HVNL.

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The Review of HVNL – General Comments

- a) The HVNL should recognise that one size does not fit all when it comes to HV law – different sectors have different needs. HVNL needs to recognise the difference between truck and bus and the task undertaken including technical issues with vehicles and contracted operations – including specific recognition of a national minimum safety standard for accreditation for buses and coaches.
- b) The HVNL needs to have a stronger performance and risk-based approach, that provides operational flexibility, is less prescriptive and offers performance based /alternative compliance approaches for operators to meet the law. This should include incentives to do so and recognise good compliance performance. This should include greater acceptance of technology as a compliance tool. The HVNL should not prescribe the technology, only the compliance performance outcome, and establish an appropriate alternative compliance enforcement regime that allows on road enforcement resources to be better targeted and for good operators to get on with the job.
- c) The HVNL maintenance group is unnecessary. The law should be allowed to work and not be under constant scrutiny and review (generally by jurisdictions) where there are issues raised or problems, due to things like idiosyncratic industry operational needs or state differences. This would be better dealt with through NHVR and specific regulation to address these types of issues. The HVNL maintenance group is a contributing factor to promulgating state-by-state HV laws and undermining national uniformity.
- d) The HVNL should be considered, when it comes to buses, in the context of the future passenger task and future impacts on the task such as population growth and congestion and automation and the efficient functioning, for example, of cities and the transport network and not in isolation of these broader societal outcomes.
- e) The HVNL should become more focussed on the use of technology to manage legal access by different productive vehicles to use the road network – the current arrangements are inadequate in managing and monitoring access.
- f) A PBS for bus system is required. The current PBS system is not suitable for buses, limits productivity for buses, and adds costs because it is based on “old school paradigms” about infrastructure, safety, environment rather than an approach that focusses on productivity and positive societal outcomes that passenger transport can deliver.
- g) Existing exemptions to the HVNL should be retained and only reviewed in the context of adoption nationally as part of the HVNL review.

In terms of our submission, the BAN has prepared a response to each of the five (5) questions posed in the Issues Paper. These are set out below.

*Q1: Have we covered the issues relating to assurance accurately and comprehensively?
If not, what do we need to know?*

Yes, the issues have been covered accurately and comprehensively.

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Q2: Is there evidence of third parties, such as site managers, customers or loaders, performing audits on heavy vehicle operators that duplicate certification audits? Can third parties be assured (by an accreditor or certifier, within the HVNL, or some other means) that their audits are unnecessary?

Third party auditing has not been a big problem in the bus industry. There have been occasions where customers (third parties), especially in relation to charter work, have asked operators to provide a statement or evidence on how the operator is meeting safety obligations under the new Code of Responsibility legislation.

An appropriate assurance scheme would help to avoid this situation, with accreditation or certification providing assurance to third parties, that the operator meets all relevant safety obligations.

Q3: Does the HVNL need an assurance scheme? Could the flexibility operators want be achieved simply through performance standards, or are some operators and operations sophisticated or specialised enough to need alternative compliance options? Does technology or vehicles or any other operational area need assurance under the HVNL?

The HVNL should only have an assurance scheme if it can provide some utility for industry. If there is an assurance scheme, it should be voluntary.

HVNL should not add another layer of regulation to that already in place for the bus industry under advanced state accreditation regimes such as in Victoria and NSW. In these states, bus and coach operators are subject to a risk-based assurance scheme, administered under passenger transport and bus safety legislation, which requires operators to establish safety management systems, vehicle maintenance management systems, driver health monitoring systems, among other requirements, with clearly delineated enforcement (including audit regimes).

Currently, the HVNL and accreditation schemes under the HVNL make no allowance for these state-based systemic approaches. This should change, and the requirements found in state-based passenger transport and bus safety legislation should be recognised also as heavy vehicle assurance schemes.

HVNL should not multi-layer assurance and accreditation but should act to recognise and harmonise assurance between state regulators (see Q4 below).

Q4: Which of the models do you prefer? What should they assure and why? Do you have an alternative model? Who should perform the key roles in an HVNL assurance scheme?

The bus industry's preference is Model 2. This would potentially enable the detailed bus accreditation schemes in various states to be recognised under the HVNL as providing an equivalent standard of compliance to other heavy vehicle accreditation schemes such as the HNVAS, WAHVAS or Trucksafe.

The bus sector has an outstanding safety record, compared with the broader heavy vehicle industry, and we would not want to see safety assurance in the industry being compromised by having to fit within a "heavy vehicle" accreditation scheme. Moreover, as has been pointed out in other NTC Issues Papers, the bus industry is different to the freight industry and some aspects of heavy vehicle accreditation, e.g. loading and securing freight, are clearly not relevant to our sector.

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The last thing the bus industry needs is a situation developing along the lines of the case study outlined at page 32 of the Issues Paper, where an operator is required to develop multiple assurance documentation and undergo multiple audits to meet the competing requirements of various accreditation schemes. The bus industry already has responsive and adaptable assurance models acceptable to the industry and the state bus regulator, and this model should simply be recognised as an assurance model for buses under the HVNL.

In terms of roles, the NHVR should legislate to recognise state-based bus accreditation schemes within the HVNL and leave the existing state bus regulator (including any independent auditors certified under the state system) to manage and accredit bus operators.

Q5: Fully developing a new assurance scheme could take a long time, even if writing it into law is relatively simple. What can we use from what we have, and how can we transition to the desired end-state?

The NHVR should be aiming for a set of minimum standards in respect of a bus accreditation assurance scheme across Australia. The existing assurance schemes for buses in the advanced states (e.g. NSW and Victoria) provides a sound basis for the minimum standards which could apply to a future national bus assurance scheme.

What the bus industry needs is a simple set of heavy vehicle standards that aligns with the broader bus requirements of state transport agencies. This would enable the implementation of safety management and vehicle maintenance assurance systems within the bus industry to be recognised as safety assurance systems within the broader heavy vehicle industry.

Any state-based accreditation schemes should be immediately recognised as a HVNL accreditation scheme, while the development of minimum standards for bus accreditation nationally are being developed.

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