

9 July 2012

Ms Donna Wieland  
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Department of Infrastructure and Transport  
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Dear Ms Wieland

**Submission to inform 2012 Review of the National Transport Commission (NTC) and Other Relevant Bodies**

The National Farmers' Federation (NFF) was established in 1979 and is the peak national body representing farmers, and more broadly, agriculture across Australia. The NFF's membership comprises of all Australia's major agricultural commodities. Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. NFF also has a number of associate members who participate in the agricultural supply chain. These organisations form the NFF.

Australian farming underpins domestic food consumption and is a significant export industry. In 2008, Australian farm exports were valued at \$31 billion, accounting for approximately two-thirds of Australia's agricultural production. Despite deep and widespread drought, over 2007-08, agricultural product accounted for 15 per cent of Australia's merchandise exports. Exports are projected to grow to \$32 billion over 2009-10. Australian agriculture currently produces 93 per cent of all food consumed domestically in Australia and 1 per cent of all food consumed in the world.

Transport of agricultural produce forms a significant cost in the agricultural supply chain, and road infrastructure is a critical element in being able to move food and fibre efficiently and effectively to market. The challenge of moving the increasing volumes of food and fibre required by domestic and international markets will continue to grow. The NFF maintains that the pricing of transport, including road and rail, should be transparent to ensure that farmers are able to make informed decisions about how to transport their produce in the most efficient and cost effective manner. The NFF is also focussed on the need for an ongoing commitment to transport infrastructure investment, based on transparent decision making that addresses both strategic infrastructure needs and the continued maintenance of the infrastructure.

The NFF acknowledges the key role the National Transport Commission (NTC) has played in establishing the National Heavy Vehicle Regulator (NHVR). The NFF

supported the establishment of a single national system of laws for heavy vehicles to improve efficiency in the operation of heavy vehicles and reduce the administrative and regulatory burden for heavy vehicle operators. With the new regulatory framework and NHVR due to commence in January 2013, the question remains whether there will continue to be a clear ongoing role for the NTC.

As an ongoing principle it will be important that where harmonised arrangements are developed they do not result in onerous and costly conditions, which would compromise the intent of National Heavy Vehicle Law to reduce the administrative and regulatory burden. It will also be important that National Heavy Vehicle Law does not disadvantage local operators or fail to account for local transport needs.

With this in mind, the NFF views that the need will continue to exist for an organisation to undertake functions on pricing determination, information gathering, policy development and drive further regulatory improvements. The organisation undertaking these functions will have to be able to deliver expertise, accountability and efficiency. However, the NFF is not in a position to determine whether the NTC is the most appropriate body to undertake these functions.

It will be important that the organisation which further develops policy and continues to improve on the National Heavy Vehicle Law has sufficient links to the NHVR to ensure changes are consistent with the intent of the legislation, while being able to be successfully implemented at an operational level. The opportunity will exist for the NHVR to collect large amounts of information at a national level and it will be important that this information feeds into policy development processes. Further information, particularly on freight flows should also provide an opportunity to help feed into a sweeping strategic overhaul of Australia's freight transport infrastructure, something the NFF has been consistently calling for.

Pricing determination is an example of an important ongoing function that will need to be continually undertaken in a transparent manner using the best available data. It is important that any future changes to pricing are based on a sound, transparent methodology, and assurances need to be provided that new charges are not imposed merely as a source of government revenue but will be reinvested in our road networks. There have recently been concerns in NTC's ability to undertake this function in the desired manner.

Although the NFF is not in a position to determine the particular functions of the NTC, there are clearly a number of functions that will need to be continued after the introduction of the National Heavy Vehicle Law and these will have to be delivered with expertise, accountability and efficiency.

Yours sincerely



**Mr Matthew Linnegar**  
**Chief Executive Officer**