

## **BIC COLUMN – JANUARY 2010**

### **A New Federalism**

I wish all ABC readers a happy New Year on behalf of the BIC. The decade ahead holds a different set of challenges for our industry and for the BIC as representatives of the industry. A new set of challenges but not any less of a challenge than the ones we have tackled before with your support.

As we draw closer to the first electoral test for the Rudd Government there is a new trend emerging in policy making at a Commonwealth level.

After a long period of consultation and deliberation, where the Government might have been accused of holding inquiries into inquiries a definite 'vision' is being put into motion.

This vision includes a new style of Federalism for a new epoch in Australia's history. Whether we agree with it or not the Government, with the co-operation of State Governments, is moving to a centralised approach to policy making.

This is arguably something that was taking place before the change of Government in 2007, but has been given a more formal structure by the Rudd Labor Government through the COAG process in a broad range of policy areas.

How does this New Federalism' affect the bus industry and your business? There are a range of laws coming into action and changes to laws and the way we make laws and decisions being investigated by all levels of Government that will impact either directly or indirectly on the way you do business.

The most significant of these changes are in the areas of industrial relations, occupational health and safety, national heavy vehicle licensing,

### **Industrial Relations – A New System**

December saw the passage of laws which effectively pass industrial relations powers from State Governments to the Federal Government and the harmonisation of Occupational Health and Safety regulations.

The national industrial relations system started from 1 January this year and the harmonised OH&S regulations will take effect from 2012. These changes will see a reduction in the administrative burden on employers from our industrial relations system and has the potential to result in significant savings to Governments.

As of 1 January all employers were required to present a Fair Work Information Statement to new employees. The statement, which is available from the Fair Work Ombudsman, provides basic information regarding matters such as minimum workplace entitlements, modern awards, agreement making and more.

To obtain a copy of the statement employers can call the Fair Work Ombudsman on 13 13 94 or visit [www.fairwork.gov.au](http://www.fairwork.gov.au).

While the modern award came into operation on 1 January this year the new classifications and minimum wages under the new system do not commence until the first pay period on or after 1 July 2010 with the schedule for phasing in changes in minimum wages and loading taking place in five equal instalments concluding on 1 July 2014.

Under a decision from the Australian Industrial Relations Commission phasing in provisions will apply to your business where there is a difference between the pre-modern award obligations and your new obligations under the modern award.

The BIC Industrial Working Group continues to work on the modern award and transitional provisions, but for more information contact your State Association or the Fair Work Ombudsman at the details above.

### **National Heavy Vehicle Regulator and Licensing**

Another key area of impact for the bus industry from this new brand of Federalism is in the area of heavy vehicle regulation.

In July 2009 the Council of Australian Governments endorsed the establishment of a single national heavy vehicle regulator with responsibility for regulating all vehicles over 4.5 gross tones, including inspection standards, safe driving hours, mass limits and registration. The National Regulator is due to be fully established by 2013, with transitional arrangements to be put in place by 2011.

According to the Prime Minister the national arrangements will “remove inefficiencies arising from inconsistent jurisdictional requirements, streamline the regulatory arrangements and thus reduce the compliance burden for businesses and reduce transport costs.”

While this “one stop shop” arrangement for industry regulation has the potential to remove a lot of red tape and save us a lot of time and expense the key question is really what’s in and what’s out if we have a National Regulator and who’s really in charge? Who will make the new rules for the industry and who will enforce them?

The BIC, with State Associations, has been taking an active role in working with the Commonwealth and State Governments in this process, which will include that we are not simply put in the “too hard” heavy vehicle category and lumped in with the trucking industry.

The BIC is also participating in a process to determine a single national Heavy Vehicle Driver Competency Framework, which is another way of saying that the Commonwealth and State Governments are looking for a way of harmonising driver licensing systems across the country. This process is ongoing and the BIC will keep you informed of any changes arising from it that might affect your drivers.

## **Urban Planning**

The way our Governments prepare for the challenge of population growth in our cities and our regions has the potential to drive strong growth in the bus industry. In a recent speech to the Business Council of Australia Prime Minister Kevin Rudd proposed a move to criteria based funding for infrastructure projects at all levels of Government.

Under this plan the new criteria for the strategic planning systems in our major cities will include:

- Implementing credible plans to reduce greenhouse gas emissions - through initiatives such as energy efficiency measures, changes to town planning, practical improvements in public transport infrastructure and reform of building codes and regulations.
- Providing for building and upgrading nationally significant infrastructure, such as transport corridors, intermodal connections and communications and utilities networks.
- Providing an effective framework for private sector investment and innovation in the urban infrastructure given that with the fiscal constraints on governments, the nation will need to harness private capital.

The process of developing this set of urban planning essentials is set to take place during 2010 and the BIC will work to ensure that transport accessibility and the availability of transport alternatives in outer-metropolitan areas remains high on the list of criteria for urban planning in future.

### **How does this affect the BIC and State Associations and how we do things?**

As I said previously a clear picture of where we are headed as a nation is developing and regardless of whether we agree with the direction we are taking as an industry it is incumbent on us to take steps to move with the times.

This shift in approach also includes the way that the BIC and State Associations operate as representatives of the industry. 2010 as the first year of a new decade should be the year that we start looking at what we do as your representatives and how we can structure our activities and output to better represent, and move forward with this growing and vibrant industry.

The Federal election and three state elections will be a proving ground for how a “co-operative Federalism” between the BIC and State Associations might be the best approach to the new “co-operative Federalism” from our Governments.

Industry feedback on how we can better represent your interests is the most important part of this process. If you have any thoughts on new directions that your industry representation should take please contact the BIC on (02) 6247 5990 or email [admin@bic.asn.au](mailto:admin@bic.asn.au).

I look forward to hearing from you.