

19 December 2023

Productivity Commission
Locked Bag 2, Collins St East
Melbourne VIC 8003

To whom it may concern,

Re: Impacts of Heavy Vehicle reform:

GrainGrowers welcomes the opportunity to provide a submission to the Productivity Commission's Impacts of Heavy Vehicle Reform consultation.

Improving the efficient movement of heavy vehicles is critical to the performance of Australia's \$29 billion grain industry, where agricultural machinery and heavy vehicles underpin every stage of production, from sowing and harvesting through to transporting grain from farm gate to market. Road regulation is a core pillar of GrainGrowers' [National Grain Freight Strategy](#), which sets out practical, evidence-based actions to enhance freight efficiency and strengthen Australia's global competitiveness.

Crucially, several of the reforms under consideration by the Productivity Commission closely align with two of the key actions identified in the [National Grain Freight Strategy](#):

- (1) streamlining compliance and administration for High Productivity Freight Vehicles (HPFVs), and
- (2) implementing a national road access system to support faster, more consistent and more transparent access decisions.

As identified in GrainGrowers' [Performance Based Standards Policy](#), greater uptake of Performance-Based Standards (PBS) vehicles is one of the most effective ways to reduce freight costs and emissions using proven existing technologies. Yet complex and inconsistent permit processes continue to limit adoption, particularly for smaller operators. The proposed National Automated Access System (NAAS) directly addresses these barriers by automating access decisions, reducing permit volumes, and unlocking the productivity and safety benefits the PBS scheme is designed to deliver.

By progressing these reforms, government has a clear opportunity to deliver significant efficiency gains, reduce costs for growers, and improve the performance of Australia's regional freight networks.

To ensure these benefits are fully realised, GrainGrowers makes the following recommendations:

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1) Streamline the Performance Based Standards road access process to unlock productivity, improve safety, and reduce emissions

The PBS scheme was introduced to enable safer, more innovative and productive freight vehicles with minimal environmental and infrastructure impact. However, the current approval process is undermining these goals.

As highlighted in the 2022 Heavy Vehicle National Law Review, “there is a mismatch between the productivity objective... and the levers that are contained within the law to impact productivity.”

Despite meeting stringent safety and infrastructure standards, PBS vehicles face lengthy and uncertain access approvals. Operators can wait weeks, months, or even years for a road access permit, with PBS vehicles facing nearly double the refusal rate of conventional vehicles. This inefficiency stifles innovation and adds significant cost and complexity.

For example, Queensland’s limited PBS network is inhibiting productivity gains compared to other states such as New South Wales and Victoria. According to the NHVR, Queensland could have saved over \$1.5 million in FY2023–24 alone had it adopted Notice-based access and fully eliminated the need for permits for eligible PBS vehicles. These savings would have been realised across government and industry, including:

- \$121,000 in NHVR administrative labour costs
- \$983,000 in road manager labour and processing costs
- \$430,000 in industry labour and permit application fees.

Without meaningful reform, the NHVR projects that nationally, between 2023–2030 the PBS permit system will result in over 1.2 million hours spent on administration, \$9.2 million in permit fees, and \$67.5 million in labour costs. As the NHVR itself notes, “there is little incentive for industry to participate if they cannot reliably obtain access.”

Streamlining the PBS access process is critical to realising its intended benefits, boosting heavy vehicle productivity, reducing emissions through fewer trips, and delivering safer outcomes across the freight network.

2) Tie Commonwealth road funding to gazetted road access

Despite billions of dollars in Commonwealth funding invested each year to upgrade key freight routes, there is currently no requirement for road managers to gazette those routes for heavy vehicle access. As a result, the full productivity benefits of these upgrades are often left unrealised, with high productivity freight vehicles still often facing inconsistent and restrictive access conditions.

The disconnect between infrastructure investment and road access limits the potential return on taxpayer funding and undermines efforts to improve national freight efficiency. Roads designed and built to safely accommodate modern heavy vehicles should be gazetted to allow their use, without requiring operators to navigate burdensome, time-consuming permit processes.

The simple yet strategic policy shift of tying Commonwealth road funding to a requirement for gazettal would deliver far greater value for money by ensuring upgraded roads are actually used to their full design potential, reducing administrative burdens for road managers and operators, cutting red tape, and unlocking the productivity, safety, and emissions benefits of PBS vehicles.

For example, the Bruce Highway is Queensland's most important north–south freight corridor, connecting Brisbane with key regional centres including Mackay, Townsville, and Cairns. It plays a vital role in the movement of freight across the state and is a cornerstone of regional economic activity.

Earlier this year, the Commonwealth Government committed \$7.2 billion towards a \$9 billion upgrade package to improve safety and performance along the corridor. This builds on more than \$10 billion in federal funding over the past decade. The Bruce Highway currently carries around 20 million tonnes of freight each year, a task that could be made significantly more efficient using PBS vehicles. Despite this, the route is not gazetted for PBS access. Tying Commonwealth funding to a commitment to gazette the Bruce Highway for PBS vehicles would ensure a greater return on the government's substantial infrastructure investment, by unlocking the full productivity benefits of the upgrades, reduce administrative burden for operators, and support the use of safer, more efficient freight fleets.

3) Provide additional resourcing for NHVR to work with local government and states to expand road access

While the NHVR is responsible for processing access requests, final decisions rest with individual road managers across state and local governments. This decentralised model, combined with varying levels of technical capability, has resulted in significant inconsistencies in access conditions and assessment approaches across jurisdictions.

These inconsistencies create inefficiencies, increase administrative burden, and limit the productivity benefits available through improved heavy vehicle access.

For example, below is a summary of the differing requirements for moving agricultural machinery at night across South Australian local government areas:

Adelaide Plains Council	2 pilot vehicles (one at the front and one at the rear) in the council area. Rubber tracked tractor: No night travel is permitted for rubber tracked vehicles.
District Council of Cleve District Council of Franklin Harbour Kangaroo Island Council	2 pilot vehicles (one at the front and one at the rear) in these council areas.
Clare and Gilbert Valleys Council	Rubber tracked vehicles:

	<p>Travel only approved on unsealed roads.</p> <p>The council must be notified of the route to be taken.</p> <p>Operator to notify the council of infrastructure damaged.</p>
District Council of Elliston	<p>Rubber tracked vehicles:</p> <p>The council must be notified of the route taken.</p> <p>The most direct route must be taken.</p> <p>Operator to notify the council if the infrastructure is damaged.</p>
District Council of Barunga West District Council of Ceduna Wudinna District	<p>Operator to notify the council if the infrastructure is damaged.</p>
City of Onkaparinga	<p>Night travel is only permitted if part of a harvesting operation is undertaken between sunset and sunrise.</p> <p>The driver shall pull over to the side of the road and stop to allow approaching vehicles to pass.</p> <p>Additional pilot vehicles shall be used at the operator's discretion if greater advance warning is necessary due to road alignment, traffic volumes and speed of approaching vehicles.</p> <p>Restricted night travel area: No night travel in the following 'Restricted Agricultural Vehicle' area within the City of Onkaparinga refer to the 'Network and mapping' tab.</p>
District Council of Kimba Yorke Peninsula Council	<p>Rubber tracked vehicles: No travel is permitted unless the tractor is travelling to the location where it is being repaired or serviced.</p>
District Council of Yankalilla District Council of Robe Mount Barker District Council Tatiara District Council The Rural City of Murray Bridge The Berri Barmera Council	<p>Rubber tracked tractor: No night travel is permitted for rubber tracked vehicles.</p>

The Corporations of the City of Whyalla

The District Council of Mount Remarkable

This level of variation highlights how far Australia remains from achieving the original Council of Australian Government's (COAG) objective of establishing a national regulatory system to deliver 'seamless national regulation of heavy vehicles that achieves the same outcome in the same circumstances; and consistent and streamlined administration and service provision for the regulation of heavy vehicles'.

Many local governments lack sufficient resourcing to make timely and well-informed access decisions, delaying approvals and increasing costs for industry.

Enhanced NHVR resourcing would allow the regulator to provide stronger, hands-on support to councils, including technical assessments, network planning advice, and assistance to expand gazetted access where safe and appropriate.

For example, CSIRO TraNSIT analysis of Hindmarsh Shire in north-west Victoria, a major grain-producing region, found that most grain freight movements travel via local roads and gazetting the majority of these local roads for B-double access would reduce transport and handling costs by approximately \$1.30 per tonne and remove 1,788 heavy-vehicle trips from the road network each year. This demonstrates the tangible economic, safety, and efficiency benefits of expanding local network access.

Providing additional resources to the NHVR would ensure councils are supported to unlock these benefits nationwide, delivering more consistent access outcomes, reducing administrative burden, and improving freight productivity for growers and industry.

4) Adopt the use of the Historic Access Reporting Tool (HART) and the Access Permit Rapid Cost Benefit Analysis Tool (Rapid CBA) to determine which roads might be eligible for automatic access under the NAAS

To ensure the National Automated Access System (NAAS) is implemented effectively and consistently, it is vital that jurisdictions use clear, evidence-based methods to determine which roads are suitable for automatic or pre-approved access.

NHVR's Historic Access Reporting Tool (HART) enables users to analyse historical access-permit patterns, revealing where access is regularly granted, where demand is highest, and where repeat permit processing places unnecessary strain on administrative resources. This makes HART a practical tool for pinpointing roads that could transition from individual permits to gazetted or automated access.

HART outputs can also be integrated into the NHVR's Rapid Cost Benefit Analysis (Rapid CBA), which quantifies the administrative time and cost associated with processing repeat permits. By comparing these costs with the benefits of shifting to pre-

approved access, the Rapid CBA supports robust evaluation of the net value of expanding gazetted networks.

Used together, HART and the Rapid CBA offer a consistent, evidence-based framework for identifying opportunity costs, improving efficiency, and determining which roads are best suited for automated access pathways under the NAAS, strengthening outcomes for both regulators and industry.

5) Increase dedicated bridge funding to expand HPFV access

Ageing bridge infrastructure remains a significant infrastructure barrier to expanding HPFV access across regional Australia. While the number of gazetted HPFV routes has grown, the practical ability of these vehicles to operate efficiently is still heavily constrained by bridges that were not designed to accommodate modern heavy vehicles.

Much of the regional bridge network was constructed more than 70 years ago and is now reaching the end of its design life. As a result, managers frequently impose load limits to preserve ageing structures. These limits restrict the weight heavy vehicles can carry and often force operators to use smaller, less efficient combinations, directly reducing productivity and increasing transport costs for the grain sector and other freight-reliant industries. For example, of the 30 bridges spanning the river, 13 are restricted for PBS vehicles, creating major productivity bottlenecks. The Mulwala Bridge, built in 1924, is a narrow structure unsuitable for PBS vehicles despite its central role linking the grain supply chains of Mulwala and Yarrawonga. Similarly, the timber Allan truss bridge at Tooleybuc (also built in 1924) significantly undermines the efficiency of the Yanga Highway, even though the route itself is gazetted for PBS use. Indeed, between Echuca/Moama and Euston/Robinvale, a stretch of nearly 300 kilometres, there are no PBS-gazetted bridges at all, forcing operators into lengthy detours or requiring loads to be transferred to smaller vehicles. These limitations add cost, time and complexity to interstate grain movements.

Ensuring bridges are capable of supporting HPFVs is essential for improving supply chain efficiency, reducing freight costs, strengthening regional competitiveness, and enabling industry to realise the benefits of expanded gazetted networks.

In the 2024–25 Budget, the Bridges Renewal Program and the Heavy Vehicle Safety and Productivity Program were consolidated into the Safer Local Roads and Infrastructure Program. GrainGrowers is calling for a dedicated bridge-upgrade funding stream within the program to ensure critical bridge works are prioritised. Without ring-fenced investment, essential upgrades risk being overshadowed by other road maintenance needs, despite bridges often being the single point of failure in a freight network.

Targeted, sustained investment in regional bridge upgrades is therefore critical. A dedicated bridge funding stream would deliver the structural capability required to support HPFVs, unlock meaningful productivity gains for growers and freight operators, and strengthen the overall resilience and efficiency of Australia's regional road networks.

GrainGrowers looks forward to working with the Productivity Commission on this critical issue. Should we be able to provide further assistance or if there are any enquiries relating to this submission please contact Policy Manager, Trade and Supply Chains, Annabel Mactier.

Yours sincerely,

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CEO
GrainGrowers