

7 January 2026

Mr Barry Sterland PSM and Mr Martin Stokie
Commissioners
Productivity Commission
GPO Box 1428
Canberra City ACT 2601
via email: ncp@pc.gov.au

Dear Messrs Sterland and Stokie

Impacts of heavy vehicle reform – Call for submissions

The Australian Small Business and Family Enterprise Ombudsman (ASBFEO) welcomes the opportunity to provide a submission to the Productivity Commission’s request for advice into the impact of the heavy vehicle productivity reform package. This package includes reforms to heavy vehicle road access, establishing a National Automated Access System, improvements to the National Heavy Vehicle Driver Competency Framework, removal of regulatory barriers to charging infrastructure, and reducing curfews for heavy zero emissions vehicles (HZEVs).

Small and family-owned operators make up a large part of Australia’s heavy vehicle sector and are the backbone of national supply chains and regional economies. These small businesses, while crucial to the delivery of Australia’s road freight, typically operate with modest financial resources and administrative capacity. It is therefore essential that the reform package’s impact on small and family-owned operators is carefully considered to ensure that compliance requirements are right-sized and do not operate in ways that threaten their viability.

The ASBFEO supports the direction of the reform proposals which could deliver real productivity and safety benefits for the heavy vehicle sector, including for small and family-owned operators. However, if a one-size-fits-all regulatory model designed for large fleets is adopted it will impose a disproportionate compliance burden on small business, noting that approximately 70 per cent of Australia’s road freight businesses operate a single truck with a further 24 per cent operating fleets of two to four vehicles.¹

The reforms must therefore be designed with small and family-owned operators front of mind to ensure that compliance and reporting requirements are right-sized and supported by clear and practical guidance. Without this, the reforms risk becoming an unmanageable compliance burden for small business that undermines their productivity and road safety policy objectives.

We support the introduction of a National Automated Access System (NAAS). By replacing manual permit processes with faster, more consistent automated access decisions, we consider it has the potential to significantly reduce administrative burden for small and family businesses. We also support reforms to strengthen driver licensing and competency requirements, consistent with implementation of the enhanced National Heavy Vehicle Driver Competency Framework developed by Austroads and endorsed by governments. However, as NatRoad highlights in an earlier submission, we call for consistent standards in licensing, competency standards, and

¹ Department of Transport and Main Roads, *Heavy Vehicle National Law Amendment Bill 2025 – Impact Analysis Statement*, Queensland Government, September 2025.

training arrangements across all jurisdictions to minimise the administrative burden for smaller operators who typically have limited resources to meet compliance requirements.²

We support Australia's transition to zero-emission heavy vehicles. However, this transition will likely present significant challenges for many small and family-owned operators given the substantial investment needed in vehicle upgrades, ongoing maintenance, and charging infrastructure. For example, a new prime mover can cost around \$500,000 even before trailers, fit-out, insurance and compliance costs are considered, and an electric heavy vehicle is likely to cost 2-3 times that of a diesel equivalent.³ As a consequence, small operators typically replace their heavy vehicles only after a long asset lifecycle to manage cash flow and debt (the average age of an Australian truck is 14.8 years old, higher than the average of developed nations⁴).

Ongoing vehicle maintenance also presents challenges as the skills, tools, and support networks required to service electric heavy vehicles are not yet widely available, particularly in regional and remote areas. As for vehicle charging, current EV charging infrastructure for heavy vehicles in Australia is relatively limited compared with passenger vehicles, particularly for regional and long-haul routes.⁵ There is also a lack of hydrogen refuelling infrastructure, creating challenges for the deployment of hydrogen fuel heavy vehicles as an alternative lower emissions option.⁶

While Australia's transition to lower-emissions heavy vehicles is supported, the policies that facilitate this must reflect on-the-ground realities for small and family-owned operators which include high investment costs, limited access to charging infrastructure, long and remote routes, and the need to carry heavy payloads.

If you require any further information, please do not hesitate to contact the Policy and Advocacy teams via email.

Yours sincerely

The Hon Bruce Billson

Australian Small Business and Family Enterprise Ombudsman

² National Road Transport Association (NatRoad), *Submission to The Austroads: Consultation RIS – National Heavy Vehicle Driver Competency Framework*, NatRoad, October 2022.

³ National Road Transport Association (NatRoad), *Submission to The House of Representatives Standing Committee on Climate Change, Energy, Environment and Water - Inquiry into the transition to electric vehicles*, NatRoad, March 2024, p 4.

⁴ The Truck Industry Council (TIC), *Today's trucks: safer, greener, and essential*, TIC, website page, accessed on 23/12/2025.

⁵ Australian Trucking Association (ATA), *Submission to The House of Representatives Standing Committee on Climate Change, Energy, Environment and Water - Inquiry into the transition to electric vehicles*, ATA, March 2024, P 8.

⁶ National Road Transport Association (NatRoad), *Submission to The House of Representatives Standing Committee on Climate Change, Energy, Environment and Water - Inquiry into the transition to electric vehicles*, NatRoad, March 2024, p 5.