ALGA
Australian Local Government Association

ALGA Submission

Productivity Commission Inquiry into the Impacts of Heavy Vehicle Reform

P 02 6122 9400
E alga@alga.asn.au

Building Better Communities.

Executive Summary

The Australian Local Government Association (ALGA) welcomes the opportunity to provide this submission to the Productivity Commission's inquiry into the impacts of heavy vehicle reform. As the national voice for Australia's 537 councils, ALGA represents the infrastructure managers responsible for the 'first and last mile' of every heavy vehicle journey in Australia – the local roads that connect industries to markets nationwide.

Local governments manage 77 per cent of Australia's roads by length, approximately 680,000 kilometres, yet receive only a small fraction of Commonwealth infrastructure funding. Road user charges, levied on heavy vehicle operators for their impacts on road networks, are not hypothecated and instead flow into consolidated revenue for Commonwealth, state and territory governments. This fundamental imbalance between responsibility and resources shapes our response to the proposed heavy vehicle productivity reforms.

ALGA strongly supports reforms that enhance national productivity and facilitate the transition to zero-emissions transport but these must come with robust cost-benefit analyses for infrastructure costs borne by local government. We call for clear implementation frameworks to ensure these costs are funded through intergovernmental partnerships that support funding to local governments across Australia.

Key Messages

- The proposed reforms will impose significant additional costs on councils through increased road wear, asset assessment requirements, and administrative burdens.
- As of FY 2024-25, Australian councils already face a $1 billion annual road maintenance deficit, with 8% of sealed local roads and 14% of unsealed roads in poor condition.
- ALGA strongly supports the National Automated Access System (NAAS), but we need to see funded plans to support councils' capability for implementation.
- Cost-benefit analyses must account for the full lifecycle costs borne by local government, not just industry productivity gains.
- Any reduction in truck curfews must respect local government authority, community amenity concerns, and enforcement practicalities.

This submission provides a detailed analysis of each proposed reform and sets out recommendations to ensure that heavy vehicle productivity reforms deliver benefits for all Australians whilst maintaining the integrity and sustainability of local road networks.

1. Introduction

1.1 About ALGA

The Australian Local Government Association is the national voice of local government, representing Australia's 537 councils across the country. ALGA works with federal and state governments to achieve better outcomes for communities and to ensure that local government perspectives are reflected in national policy development.

ALGA is represented at Infrastructure and Transport Ministers' Meetings (ITMM) and has been actively engaged in heavy vehicle policy reform for many years, including through the Heavy Vehicle National Law review process and the development of the National Automated Access System.

1.2 Local Government's Role in the Road Network

Local governments play a critical role in Australia's transport system. They:

- manage approximately 680,000 kilometres or 77 per cent of Australia's total road network,
- provide the essential 'first and last mile' connections that link farms, businesses, and distribution centres to state and national freight routes,
- process heavy vehicle access permits and make access decisions for local road networks,
- own and maintain more than 22,000 bridges and major culverts on local roads, and
- implement local traffic controls, including truck curfews, to balance freight movement with community amenity.

Despite this significant responsibility, there is a fundamental mismatch between responsibility and resources. Road user charges, levied on heavy vehicle operators for their impacts on road networks, and other charges such as vehicle registration and driver licensing are not hypothecated and instead flow into consolidated revenue for Commonwealth, state and territory governments. Councils cannot directly charge users for consumption of local roads, yet must manage these assets as a liability.

With councils collecting less than four per cent of all government revenue, this makes local government heavily reliant on Commonwealth and state funding for road maintenance and infrastructure investment, and this funding has not kept pace with need.

1.3 Context: Local Roads Funding

This inquiry must be considered against the backdrop of ongoing funding issues facing Australian councils. The interim report of a 2024 parliamentary inquiry into local government sustainability confirmed that the role of councils has evolved and expanded over time, while council funding and ability to raise revenue has deteriorated due to rising service delivery obligations, ageing infrastructure, and changing population trends. This has placed significant pressure on local government budgets, with particular impacts on road maintenance capacity.

A key issue highlighted in the inquiry was the erosion of Financial Assistance Grants (FA Grants), the primary source of untied federal funding to councils. FA Grants have declined from 1 per cent of Commonwealth taxation revenue in 1996 to just 0.5 per cent today. For almost one in four councils, FA

Grants make up at least 20 per cent of annual operating revenue, making this decline particularly acute for rural and regional councils.

Independent research by the Grattan Institute, published in November 2023, identified a $1 billion annual shortfall in local road maintenance funding across Australia. ALGA's 2021 National State of the Assets (NSoA) report found that eight per cent of sealed local government roads and 14 per cent of unsealed local government roads were in poor condition. The next NSoA report is due to be published in June 2026.

ALGA acknowledges the significant funding uplift from the Commonwealth government by increasing Roads to Recovery funding to $1 billion per year and establishing the Safer Local Roads and Infrastructure Program at $200 million per year. However, these increases only address half the assessed funding shortfall, and local road networks continue to deteriorate under current funding arrangements.

Without adequate funding, the condition of local roads will continue to decline, creating compounding costs and safety risks. Repeated natural disasters and the repair requirements only exacerbate this funding shortfall.

This funding gap will also severely constrain councils' ability to respond to emerging network requirements arising from heavy vehicle regulatory reforms. Rural and regional councils, already managing extensive road networks with limited rate bases, will be particularly challenged to fund necessary upgrades to pavements, bridges, and intersection geometry to safely accommodate reformed heavy vehicle operations.

2. Response to Proposed Reforms

2.1 Increasing Heavy Vehicle Road Access

ALGA's Position

ALGA supports the objectives of increased productivity and emissions reduction. However, the Commission's analysis should account for the costs these reforms will impose on local government and local communities, and recommend appropriate funding support in response. Any increase in vehicle weights or expansion of heavy vehicle access will accelerate the deterioration of local roads and bridges, some of which are already at or beyond their design capacity.

Key Issues for the Commission's Consideration

Road wear increases exponentially with axle load

The relationship between axle load and pavement damage is highly non-linear. Research by Austroads has found that doubling an axle load can increase road wear by a factor of 16. Whilst individual axle load increases may appear modest, their cumulative impact on maintenance requirements and costs will be substantial. The Commission must model these impacts accurately, including:

- Accelerated pavement deterioration and reduced asset life
- Increased frequency of resurfacing and rehabilitation works
- Impact on council long-term financial plans and asset management strategies, and
- Costs of more frequent road closures and traffic management during maintenance.

Bridge and culvert capacity constraints

Many local bridges and major culverts were designed decades ago for lighter loads. Increasing permissible vehicle weights will require comprehensive structural assessments and, in many cases, funds for upgrades or replacement. The National Heavy Vehicle Regulator's Strategic Local Government Asset Assessment Project (SLGAAP) has made important progress in assessing bridge capacity on key freight routes, but this work is not complete. Councils need ongoing funding support to:

- Complete structural assessments of bridges and culverts on freight routes
- Undertake necessary strengthening or replacement works
- Develop and maintain asset information systems to support access decision-making, and
- Support ongoing bridge and culvert assessments in future years.

The 'first and last mile' challenge

Even the most efficient freight vehicle cannot deliver productivity gains if it cannot access its origin or destination on local roads. Many regional and rural councils already face challenges accommodating current heavy vehicle movements on roads that were never designed for high freight volumes. Expanding access for heavier vehicles without addressing these 'first and last mile' constraints will simply shift bottlenecks from state highways to local roads, creating new problems without solving existing ones.

Implementation costs and capacity

Australia's 537 councils vary enormously in size, capacity and resources in terms of access to engineering and technical expertise. Larger councils may have engineering departments capable of undertaking complex structural assessments and road upgrades and smaller councils may instead rely on consultants. Both methods require funding from the council. Any reform must be accompanied by:

- Adequate financial support for technical assessments and infrastructure upgrades,
- Capacity building assistance and training for council staff,
- Realistic implementation timeframes that allow councils to plan and budget appropriately, and
- Clear guidance on Commonwealth-state-local funding responsibilities.

Funding Requirements

Implementation of heavy vehicle reforms will need coordinated support from federal, state, and territory governments to help local governments adapt to new systems and infrastructure. ALGA has consistently highlighted the need for dedicated support to councils in implementing Heavy Vehicle National Law reforms and improving freight productivity on local roads.

Government support is essential across four key areas:

- **System implementation**: Assistance for councils implementing the National Automated Access System (NAAS), including integration of council systems with the state and national platforms.
- **Route and asset assessment**: Support for councils to conduct comprehensive route and asset assessments to better understand the condition of their infrastructure.
- **Capability building and data standards**: Funding for capability building programs and data collection initiatives to enable councils to align with data standards and prepare their systems to integrate with the national platform.

Local roads form the important “first and last mile” of every freight journey in Australia. Productivity gains achieved on state and national highways can only be realised if local road networks can effectively accommodate the vehicles using them. A comprehensive, well-functioning road network requires investment across all levels of government.

The Commission's cost-benefit analysis should account for these implementation and ongoing costs borne by local government. A focus on industry productivity gains without accounting for public infrastructure costs and the financial sustainability challenges facing councils risks producing misleading results.

2.2 National Automated Access System (NAAS)

ALGA's Position

ALGA strongly supports the acceleration of NAAS implementation. Tasmania's Heavy Vehicle Access Management System (HVAMS), which the NAAS is based upon, demonstrates that automated access systems can work effectively for local government. All 29 Tasmanian councils voluntarily participate in the system.

This voluntary adoption reflects HVAMS' practical benefits for local road managers: councils potentially gain real-time visibility of heavy vehicle movements on their networks, automated compliance checking reduces manual permit processing, and the system generates reliable data on actual road usage patterns. The Tasmanian experience proves that when councils retain control over their networks and access decisions, they can achieve improved network management and reduced administrative burden.

NAAS offers substantial benefits for local road managers:

- Automated access decisions eliminate time-consuming manual permit assessment while maintaining local control over network access rules.
- Real-time data on heavy vehicle movements enables councils to identify high-use routes, monitor compliance, and target enforcement resources effectively.
- Accurate records of actual heavy vehicle usage support asset consumption modelling and evidence-based infrastructure planning.
- Enables a shift from reactive scheduled maintenance to predictive maintenance based on verified usage data rather than estimates.
- Evidence for data-driven, needs-based funding models that reflect actual road usage.
- Improved network performance data strengthens council business cases for infrastructure investment.

Implementation Challenges

Whilst ALGA strongly supports NAAS, several implementation challenges must be addressed to ensure the system delivers its promised benefits for both industry and local government.

State-local government engagement

Implementation relies on strong engagement between local and state governments. The system will fundamentally change how councils manage heavy vehicle access, requiring significant investment in data systems, staff training, and business process redesign.

The Commission should assess whether:

- State transport agencies are providing councils with sufficient notice and detail about rollout expectations.
- State governments understand the capacity constraints facing smaller councils.
- Implementation planning reflects genuine co-design with local government or represents top-down deployment.

Given that councils manage 77 per cent of the road network and will be critical users of NAAS, meaningful engagement is essential. The success of the Tasmanian model demonstrates what can be achieved when all 29 councils voluntarily participate. Achieving comparable participation rates in larger states will require strong partnership approaches.

Funding and resourcing

The phased rollout approach is supported, but councils need assurance that adequate funding and support will be available throughout implementation. The Strategic Local Government Asset Assessment Project (SLGAAP) has made important progress, with over 1,000 assessments completed across 109 councils. However, this represents only a fraction of the bridges and culverts on local freight routes nationwide.

Sustained government support across federal, state, and territory levels is important to:

- Complete asset assessments through SLGAAP and similar programs across all states and territories.
- Develop and maintain asset information systems compatible with NAAS requirements.
- Train council staff in access decision-making and system use.
- Provide technical support for smaller councils lacking in-house expertise.
- Build the organisational capacity needed to transition to NAAS operations.

Without this support, the transition to automated heavy vehicle access may be sporadic and disjointed across jurisdictions, creating inefficiencies and undermining national consistency. Local roads are integral to the freight network, and investment in local government capacity is investment in national freight productivity.

Critical Success Factors

Addressing these implementation challenges requires attention to several critical success factors:

Genuine interoperability, not just interface compatibility

The integration of state-based assessment modules should deliver genuine interoperability across jurisdictions. A heavy vehicle operator should be able to plan a cross-border journey with confidence that the system is consistent and predictable. Road managers in different states should have comparable capability to manage their networks effectively. Technical integration alone isn't enough - genuine interoperability requires common data standards, aligned assessment methods, and coordinated governance.

Effective integration of third-party approvals

Many heavy vehicle journeys, particularly in regional areas serving agriculture, mining, and manufacturing, require both road manager consent and third-party approvals from entities such as rail infrastructure managers, utility companies, ports, and mining sites. Third-party asset managers must provide approval when heavy vehicle movements may affect their infrastructure. For example, over height vehicles require approval from electricity providers, and vehicles crossing rail level crossings require approval from rail

infrastructure managers. These approvals are separate from road manager consent but are necessary for permit issuance.

The critical challenge for NAAS implementation is how third-party approvals will integrate with the system. Currently, operators must obtain third-party approvals separately and provide evidence to the NHVR before permits can be issued. Many heavy vehicle journeys involve travel on council roads to access third-party infrastructure such as mine sites, ports, grain terminals, and timber mills. If third-party approvals remain manual processes outside NAAS, the system's capability is compromised.

Local governments need clarity about:

- How third-party approval requirements will be identified and managed within NAAS.
- Whether the system will automate identification of routes requiring third-party approvals or whether operators must still identify these requirements separately.
- How delays in obtaining third-party approvals will affect the "instant access" promised by NAAS.
- Whether third-party asset information will be integrated into the system to enable automated identification of approval requirements.

The Commission should examine whether the NAAS architecture adequately addresses third-party approval integration, whether implementation planning has considered the complexity of journeys involving both council roads and third-party infrastructure, and whether delays in obtaining third-party approvals could undermine the productivity benefits NAAS is intended to deliver.

Phased, risk-managed rollout with clear communication

NAAS implementation should begin with key freight routes and councils with existing capacity and capability. This allows the system to be refined based on real-world experience before expanding to more complex networks and less-resourced councils. Councils need clear timelines for when they will be expected to participate, what technical requirements they must meet, and what support will be available. This is essential for informing councils own systems, such as maintenance and budget decisions.

Local control for local roads

A key strength of the Tasmanian model is that councils retain control over their networks and access decision-making. The system accommodates different risk appetites and assessment methodologies. The retention of local control over local roads, allows councils to best meet the road conditions in real-time.

Data governance and security

Councils must retain sovereignty over their asset data. The system architecture should enable councils to share data for access decision purposes whilst maintaining appropriate controls over commercially sensitive or security-relevant information. Clear protocols are needed around data access, use, retention and disposal. Support to ensure IT systems are modern and secure will be critical.

Integration with existing council systems

Many councils have invested significantly in asset management systems. NAAS must integrate with these existing systems rather than requiring councils to duplicate data entry or maintain parallel systems. Interoperability standards and clear technical specifications are essential.

Recommendations on NAAS

ALGA recommends that the Commission:

- Model NAAS benefits including both industry productivity gains and local government efficiency improvements.
- Identify the full implementation costs, including Commonwealth, state and local government contributions.
- Recommend sustained Commonwealth funding for local government capability building.
- Support a phased implementation approach that starts with key freight routes and progressively expands coverage.

2.3 National Heavy Vehicle Driver Competency Framework

ALGA's Position

Whilst heavy vehicle driver licensing is primarily a state and territory responsibility, ALGA supports reforms that improve driver competency and safety. Better trained drivers will help to reduce crash rates and improve safety outcomes on local roads, where serious heavy vehicle crashes can occur.

The Commission's analysis should:

- Quantify the potential safety benefits on local roads, including reduced crash rates and severity.
- Consider how improved driver skills may reduce road damage through better vehicle handling and operation.
- Assess whether the reforms will affect local government responsibilities (such as involvement in driver testing or training venue approvals).
- Ensure that implementation does not create new administrative burdens for councils.

ALGA notes that the Commission has been asked to analyse accelerated implementation but has not been provided with a specific timeline. Any acceleration must balance the legitimate goals of addressing driver shortages with the need to ensure training providers, assessment systems and regulatory oversight are properly established. Rushed implementation could compromise training quality and safety outcomes.

2.4 Barriers to EV Truck Charging Infrastructure

ALGA's Position

ALGA supports the transition to zero-emissions heavy vehicles and recognises the need for adequate charging infrastructure to enable this transition. Local governments have an important role to play through planning systems, development approvals, and potentially in providing land for charging sites.

Key Considerations

Planning and development assessment

Charging infrastructure for heavy vehicles is a new land use category in most planning schemes. Councils should be involved in decisions to create guidance on:

- Appropriate locations and zoning for different types of charging facilities (depot charging vs. public fast charging)
- Assessment criteria and conditions for development approvals
- Interface with existing land uses and amenity protection, and
- Environmental and heritage considerations.

ALGA would support the development of national guidelines that councils could adapt to local circumstances. However, any guidance must respect local planning authority and the diversity of local conditions. A prescriptive, one-size-fits-all approach would be inappropriate.

Electricity grid capacity and coordination

High-power charging facilities require substantial grid connection capacity. Many potential sites, particularly in regional areas and along key freight corridors, face grid capacity constraints. Councils often become involved in complex discussions between proponents, electricity distributors, and other stakeholders. Better coordination mechanisms are needed to streamline these processes.

Strategic location of charging infrastructure

The NAAS will provide valuable data on heavy vehicle movements and key freight routes. This data should inform strategic planning for charging infrastructure to ensure facilities are located where they will be most useful. A coordinated national approach will be more efficient than an ad-hoc, market-led deployment that may leave gaps in coverage.

‘Thin market’ considerations

Market forces alone are unlikely to deliver adequate charging infrastructure in regional and rural areas, where traffic volumes are lower but distances between charging points are greater. The Commission should consider whether targeted Commonwealth support is needed to ensure equitable access to charging infrastructure across Australia, including on rural freight routes.

2.5 Curfews for EV Trucks

ALGA's Position

ALGA has concerns about this proposal and asks the Commission to proceed cautiously. Whilst we support the transition to zero-emissions vehicles, curfew reduction raises complex issues involving community amenity, local government authority, enforcement practicalities, and safety.

Critical Issues

Local government responsibility and community amenity

Many truck curfews are imposed by councils under local traffic management powers to protect residential amenity. These decisions reflect local circumstances and community preferences. Councils balance the needs of industry and freight movement against the legitimate expectations of residents for quiet enjoyment of their homes. Any reduction in council authority to manage local traffic would be strongly opposed by ALGA and our members.

Noise is not the only consideration

Truck curfews exist for multiple reasons beyond noise:

- Safety concerns, particularly on roads shared with pedestrians, cyclists and school children.
- Protection of local road infrastructure from heavy vehicle damage during hours when maintenance crews cannot respond.
- Management of conflicts with other road users and activities.
- Amenity impacts beyond noise, including vibration, lighting, and visual intrusion.

Even if EV trucks are quieter, they may still generate sufficient noise to disturb sleep and amenity, particularly at night when background noise levels are lower. The Commission should obtain reliable comparative noise data for EV and conventional trucks under real-world operating conditions, including:

- Drive-by noise levels at various speeds.
- Tyre noise, which becomes dominant at higher speeds.
- Refrigeration unit noise for temperature-controlled vehicles.
- Loading and unloading noise at destinations.

Enforcement practicalities

Options for enforcement of differential curfews for EV and conventional trucks include:

- Visual identification (difficult, especially at night).
- Registration plate matching against vehicle databases (requires real-time system access).
- Electronic vehicle identification systems (expensive infrastructure investment).

None of these options are straightforward or without cost. The enforcement burden would fall primarily on local governments and state police. Unless practical enforcement mechanisms are developed, differential curfews risk creating confusion and compliance problems.

Community consultation and acceptance

Any changes to truck curfews will require genuine community consultation. Residents who have chosen to live in particular areas based on existing curfew protections have a legitimate interest in being consulted about changes. Councils are best placed to conduct this consultation and make decisions that reflect local circumstances and community preferences.

Safety implications

The proposal acknowledges that the safety impacts of night-time truck movements are ambiguous. Whilst reduced traffic may lower crash frequency, individual interactions may be more dangerous due to reduced visibility, greater driver fatigue, and the increased difficulty of detecting quieter EV trucks. The Commission must carefully assess these competing effects and not assume that safety impacts will be neutral or positive.

Recommendations

Given these concerns, ALGA recommends that:

- The Commission should not recommend wholesale removal of curfews for EV trucks.
- If curfew relaxation is to be explored, it should be through carefully designed pilot programs in limited locations, with comprehensive monitoring and community consultation.
- Pilots should test different approaches and gather data on noise impacts, community acceptance, safety outcomes, and enforcement practicalities.
- Any national framework must preserve local government authority to make final decisions based on local circumstances.
- The costs of developing and implementing enforcement systems must be included in the cost-benefit analysis.
- Alternative approaches should be considered, such as designated 'green freight corridors' with relaxed restrictions, rather than blanket curfew removal.

3. Cross-Cutting Issues

3.1 Cost-Benefit Analysis Methodology

ALGA recommends that the costs borne by the public sector for distributional impacts are weighed equally to industry benefits. For this inquiry to be useful, the Commission's cost-benefit analysis must:

- **Include full lifecycle costs** to local government, including infrastructure assessment, upgrades, accelerated maintenance, administrative systems, staff training, and enforcement.
- **Account for externalities** including road wear, community amenity impacts, safety effects, and environmental considerations.
- **Consider distributional impacts** across different types of councils, industries, and community groups.
- **Test sensitivity to key assumptions** including EV adoption rates, infrastructure costs, compliance costs and behavioural responses.
- **Use appropriate discount rates** that do not undervalue long-term infrastructure and environmental impacts.

3.2 Intergovernmental Cooperation and Funding

The heavy vehicle reform package requires cooperation across all three levels of government. Success will depend on clear agreements about:

- Which level of government is responsible for which aspects of implementation.
- How costs will be shared between Commonwealth, state/territory and local governments.
- Governance arrangements for ongoing system management and refinement.
- Mechanisms for dispute resolution and managing cross-border issues.

ALGA advocates for increased use of formula-based, non-competitive funding programs rather than project-by-project grant schemes. Formula funding provides certainty for long-term planning and reduces administrative costs for both applicants and government.

The Commission should also consider as context the overarching financial sustainability of local government to meet the increased needs and pressures from reforms. The House of Representatives Standing Committee on Regional Development, Infrastructure and Transport, Inquiry into Local Government Funding and Fiscal Sustainability provides a strong evidence base to support this work. ALGA maintains that the substantial increased of FA Grants to 1% of Commonwealth Taxation Revenue is required to support the operations of councils as they implement national reforms.

3.3 Data Availability and Research Needs

The Commission has identified data gaps that limit the quality of analysis possible. ALGA agrees that better data is essential for evidence-based policy development. Priority areas include:

- Comprehensive data on heavy vehicle movements on local roads
- Local government infrastructure condition and capacity (building on National State of the Assets work)
- Actual road maintenance costs by road type, location and heavy vehicle usage

- Safety data for heavy vehicle crashes on local roads and
- Economic impacts of freight accessibility in different regions.

NAAS implementation will significantly improve data availability over time which will enable better policy decisions in future at the local, state and federal levels.

3.4 Implementation Capacity and Timeframes

Australia's 537 councils vary in size, capacity and resources:

- The largest councils serve populations over one million, whilst the smallest serve fewer than 500 people.
- Some councils have large engineering departments, whilst small councils may have a single works supervisor managing all infrastructure.
- Geographic areas range from a few square kilometres to over 370,000 square kilometres.

Any reform implementation plan must recognise this diversity and provide:

- Realistic timeframes that allow councils to plan and budget appropriately.
- Phased rollout that starts with councils with existing capacity.
- Technical assistance and capacity building support for smaller councils.
- Flexibility for councils to adapt national frameworks to local circumstances.
- Adequate transition periods and grandfathering arrangements where appropriate.

4. Recommendations

ALGA makes the following recommendations to the Productivity Commission:

General Recommendations

1. **Cost-benefit analyses should model full lifecycle costs borne by local government**, not just industry productivity gains. This includes infrastructure assessment, upgrades, accelerated maintenance, administrative systems, training, and enforcement costs.
2. **The Commission should model distributional impacts** across different types of councils recognising their vastly different capacities and resource bases.
3. **Implementation plans must provide realistic timeframes**, phased rollouts and adequate transition periods for all councils to adapt.

Recommendations on Increased Road Access

4. **The Commonwealth should provide dedicated funding** to support councils in implementing Heavy Vehicle National Law reforms, including asset assessments, infrastructure upgrades, and increased maintenance costs.
5. **Road wear modelling must account for** impacts on pavement life, maintenance frequency, and total lifecycle costs.
6. **Bridge and culvert assessment programs must be completed** before permissible vehicle weights are increased on affected routes. The Commission should identify the funding and timeframes required to complete this work.

Recommendations on NAAS

7. **The Commission should strongly support acceleration of NAAS** as a reform that benefits both industry and government and retains local government control over local roads.
8. **NAAS modelling should include benefits from improved maintenance planning**, data-driven funding models, and reduced administrative burden for councils, not just permit processing savings for industry.
9. **The phased implementation approach should be maintained**, starting with key freight routes and progressively expanding coverage as councils build capability.
10. **Data governance protocols must ensure councils retain sovereignty** over their asset information whilst enabling appropriate data sharing for access decisions.

Recommendations on Driver Competency

11. **Safety benefits analysis should include impacts on local roads** quantifying potential reductions in crash rates and severity.
12. **Any accelerated implementation must not compromise training quality** or impose new administrative burdens on local government.

Recommendations on EV Charging Infrastructure

13. **National guidelines should be developed to assist councils with their planning assessment** of charging infrastructure and empower decisions that respect the diversity of local circumstances.
14. **Strategic infrastructure planning should utilise NAAS data** on heavy vehicle movements to identify optimal locations for charging facilities on key freight routes.

Recommendations on Curfews

15. **The Commission should not recommend wholesale removal of curfews** for EV trucks given the significant concerns about community amenity, enforcement practicalities, and safety.
16. **Any curfew relaxation should be explored through carefully designed pilot programs** with comprehensive monitoring, community consultation, and evaluation before broader implementation.

5. Conclusion

Australia's heavy vehicle productivity reform package has the potential to deliver significant benefits for the national economy and facilitate the transition to zero-emissions transport. However, realising these benefits requires genuine partnership between all levels of government and adequate resourcing for those who manage the infrastructure that underpins the freight task.

Local government manages 77 per cent of Australia's roads by length. They provide the essential first and last mile connections that enable freight to move from origin to destination. Councils process access permits, make access decisions, and balance the needs of industry with those of our communities. They maintain bridges and culverts that were often built decades ago for lighter loads. And they do all of this with less than four per cent of national taxation revenue.

The reforms proposed in this inquiry will impose costs on councils, through increased road wear, asset assessment requirements, infrastructure upgrades, and compliance and administrative changes. These costs must be properly quantified and funded. A reform program that generates productivity gains for industry by shifting costs onto local government and local communities is neither sustainable nor equitable.

ALGA strongly supports the National Automated Access System. We see NAAS as a reform that can benefit all parties, providing access certainty for industry, reducing administrative burden for councils and improving data for infrastructure planning.

On other reforms, we urge the Commission to proceed carefully. Increasing permissible vehicle weights without adequate infrastructure assessment and funding will simply accelerate the deterioration of local roads. Removing truck curfews without proper consultation and enforcement mechanisms will undermine community amenity and local government authority.

The Commission's work can make an important contribution by clearly identifying the full costs and benefits of the proposed reforms, including impacts on local government. We urge the Commission to ensure that productivity gains for industry are not purchased at the expense of deteriorating local infrastructure and diminished community amenity.

ALGA welcomes ongoing engagement with the Productivity Commission during this inquiry and can provide additional information or clarification on any matters raised in this submission.