BUS INDUSTRY CONFEDERATION
moving people

Productivity Commission - impacts of heavy vehicle reform – Interim Report

5 May 2026

Contents

Summary

The Bus Industry Confederation (BIC) is the national independent peak body for the Australian Bus and Coach Industry. We represent over 160 bus and coach operators, body, chassis and complete bus manufacturers and suppliers, parts and service providers, professional services, and state bus associations on issues of national importance.

Zero Emission Buses (ZEB) make up 20% of all new bus deliveries in Australia.

The BIC continues to call on the Productivity Commission (PC) to ensure that bus and coach are always on the agenda when considering any sort of heavy vehicle reform.

The interim report still does not accurately reflect the breadth of the heavy vehicle industry as many of the solutions do not properly contemplate the needs of the bus and coach industry.

We recommend a meeting between the Productivity Commission and Bus Industry Confederation to assist the PC in developing a comprehensive and robust advice to government.

As will detailed in our original submission, infrastructure remains a key barrier to the net zero aspirations of government. Our experience should inform the Commission on how it should recommend a bipartisan, long-term plan to zero emission vehicles. Without proper long term planning of energy infrastructure, the net zero heavy vehicle transition will remain fragmented and ineffective.

BIC would welcome the opportunity to be directly involved in any further conversations with the Commission regarding heavy zero emissions vehicles.

About Buses

Buses serve as mass transit, delivering benefits like reduced congestion, lower pollution, and enhanced productivity, as well as providing critical social mobility through frequent local routes. These benefits extend to improved public health, lower crime rates and better overall social outcomes, resulting in reduced costs for health and legal systems. The Australian bus industry is uniquely positioned to lead the transition to zero-emission technologies[1]. for heavy vehicles, assisting decarbonising strategy for the nation.

Buses have a strong and diverse manufacturing, and supplier presence in Australia providing 10,000 direct and indirect jobs in Australia. This encompasses full manufacturers, assemblers, importers, component manufacturers, suppliers, and importers. We provide an economic contribution $5Billion yearly to the Australian economy.

Buses provide a cost-effective safe role in moving people from and to their destinations every day, whether it is dense urban outer urban, regional, remote, or interstate. For example, in outer suburban areas, where other mass transit options are scarce, buses are vital in addressing poverty, disadvantage, and the financial strain of car ownership. They offer essential mobility to communities facing isolation, poor services, and socio-economic challenges.

Buses - The essential public transport carrying Australia.

[1] BIC Policy Position Paper – Driving Towards Zero Emissions

Response to draft recommendations, findings and information requests

Context for heavy vehicle reform

Information request 1.1

The PC is seeking evidence and views about how the package of heavy vehicle reforms examined in this study may impact:

- *different cohorts, including by age, gender, income and education, and any other relevant demographic classification (including impacts on Aboriginal and Torres Strait Islander people)*
- *consumers, including in ways that may be difficult to quantify, such as improved quality of service or wellbeing, or greater choice.*

RESPONSE

The BIC seeks to reinforce its views as presented in our submission in December 2025.

Furthermore, zero emission buses are heavier than internal combustion engine (ICE) buses. For a Zero Emission bus's ability to carry the same number of people a ICE bus does today there would need to be significant changes to mass and dimension requirements.

Addressing mass and dimensions for buses separate to freight, will help ensure that current service capacity is maintained. The resultant operational challenges, such as reduced passenger capacity and the need for larger fleets, especially with school bus configurations will significantly impact the public, schools and community groups who all rely on buses as their mode of transportation.

Failure to address this would mean a capacity reduction for the public transport sector resulting in increased difficulty for children to get to and from school, and the public to get to their destination. School buses are of particular concern.

We again refer to BICs 2023 paper on mass and dimensions.

Access for high productivity and heavy zero emissions vehicles

Information request 2.1

The PC is seeking feedback on how proposed reforms to the Heavy Vehicle (Mass, Dimension and Loading) National Regulation (expected to commence on 1 July 2026) will affect access. These reforms include uplifting General Mass Limits to Concessional Mass Limits, increasing general length limits from 19 m to 20 m and increasing general height limits from 4.3 m to 4.6 m.

- *What implications would these reforms have for high productivity and heavy zero emissions vehicles?*
- *Will these reforms create any unintended consequences? What effect will they have on the interoperability of heavy vehicles with existing trailers, equipment and loading infrastructure?*

RESPONSE

The interim report is freight centric. More consideration needs to be provided specifically for buses as per our original submission in December 2025.

Heavy vehicle mass is Intertwined with the issue of vehicle width. The bus and coach industry continue to strongly advocate for modest increases to axle and gross vehicle mass (GVM) limits and an increased width (2.5 metres to 2.55 metres), as outlined in the BICs 2023 paper on mass and dimensions. In addition, requirements to meet Disability Standards such as wheelchair lifts and other safety features have also contributed to weight increases.

The requested mass increase for bus is only 5.5% overall which will bring the industry closer in line with international standards. We do not foresee any unintended consequences with a small increase. In-fact not doing anything will cause unintended consequences. Already in city buses we are seeing a capacity reduction of 8% (71 reduced to 65 passengers) largely resulting in less standees. In school buses its more concerning with a capacity reduction of 10% (57 reduced to 51 passengers) This loss in capacity means it needs to be compensated by extra buses or simply less capacity.

Existing bus infrastructure and road infrastructure are largely unaffected by the requested mass increase as roads have been designed with higher limits or safety margins in mind.

We would welcome the opportunity to explain this in more detail in a separate meeting.

Information Request 2.2

The PC is seeking feedback on how the Performance-Based Standards (PBS) scheme can be improved and enable greater as-of-right access for PBS vehicles over time. We are also interested in views around how the Australian Government can best support this process.

- *Could there be any unintended impacts arising from not requiring the PBS Review Panel to provide advice on all PBS design applications? What types of PBS design applications should still require panel advice? The PC is also seeking feedback on implementation issues, including how a pathway to add eligible PBS vehicles to existing notices (with in-principle road manager consent) could be embedded in legislation.*
- *How should the mechanism be designed and implemented? Why?*

– What amendments to the Heavy Vehicle National Law or related regulations would be required?

– Are amendments to the PBS classification system required?

– How should amendments be implemented to ensure eligible PBS vehicles can be added to existing notices without having to get access approvals, while ensuring existing access arrangements previously agreed by road managers are preserved?

– What criteria should PBS combinations fulfil to be eligible to be added to existing notices? Which specific PBS combinations should be prioritised? On what basis?

– What safeguards, monitoring or review mechanisms would be required to ensure the approach maintains road safety and protects infrastructure?

RESPONSE

The BIC does not support a time-based right of access through PBS (generally 3 years). Time based renewals would result in high and unnecessary regulatory burden for the bus and coach industry as they struggle to keep up with renewals for expiring PBS permits over 25-year lifespan of a typical bus.

For the PBS permit scheme, BIC proposes the following options:

1. General notice/gazettal; or
2. Changes to the Heavy Vehicle National Law on mass and dimension.

Changes to the HVNL would stop these permits being required and significantly reduce the regulatory burden on the industry and regulator.

Furthermore, it should be noted that the PBS doesn't cover WA or NT as they are not part of the NHVR. Therefore, separate solutions need to be considered to achieve the same outcome in these jurisdictions.

The criteria and safeguards that were explained in our original December 2025 submission and can be covered directly by meeting with the Productivity Commission.

Information Request 2.3

The PC is seeking feedback on implementation of a nationally consistent mass concession for electric heavy zero emissions vehicles (HZEVs).

- *How should a concessional mass limit to overcome the current payload gap between comparable diesel and electric HZEVs be implemented?*

– What should the size of the concessional mass limit be?

– What are the outcomes and learnings that have come out of the trial-based concessional electric HZEVs mass limit arrangements?

- *How should the mass concession interact with the Performance-Based Standard scheme, including new and/or existing permits? What are the merits and downsides of the different options?*

– Are there any additional changes or approvals required to ensure operators can make use of the mass concession?

– Are there cases where the concession should not be automatically applied? Why?

– Is a three-yearly review process appropriate? What benchmarks should be considered in the review process?

• What are the expected impacts of applying the mass concession?

– To what extent would changes assist and/or accelerate the uptake of uptake of electric HZEVs?

– What road wear impacts will this have at anticipated take up rates?

RESPONSE

The size of the Concessional Mass Limit (CMS) should be as per our recommendation in our initial submission made in December 2025:

Vehicle Type	ADR limit	HNVL Limit	Proposed	UN/EU Limit
2 axle bus	16t	18t	19t	19.5t
3 axle bus	19t	22t	23t	24t
Articulated Bus	26t	26t 26.8t (NSW)	28t	28t

Again, the CMS should be a separate notice or in the HVNL, not PBS.

Concessions should apply to ZEBs and future ICE vehicle that have enhanced safety and accessibility improvements such as laminated side windows and/or wheelchair access. The resulting uptake of high floor buses such as coaches or school buses would then address the capacity reduction issue mentioned earlier at *Information Request 1.1*.

Further benefits can be realised as capacity on city buses increase slightly, thereby enhancing the industry's ability to support mode shift to public transport as we move toward higher density housing.

The impacts of Increasing mass of bus and coach on road wear is understood to be inconsequential. This is supported by a report from the NHVR Office of Chief Engineer (OCE) from 2-3 years ago. Whilst this report has not been made publicly available, we have been advised of its findings and recommend that a copy of this report would be beneficial in properly assessing whether to rule out any road wear increase.

Accelerating a National Automated Access System

Information Request 3.1

The PC is seeking evidence and views about how the National Automated Access System can be designed to improve the consistency and quality of local governments' access decisions. Is guidance and improved road asset data adequate, or are broader reforms needed to optimise decision making by local governments?

RESPONSE

Our proposal to put CMS through a Notice or HVNL would mean a NAAS would not be required.

Administrative and regulatory barriers to charging infrastructure

Information Request 4.1

How much would draft recommendations 4.1 and 4.2 reduce administrative and regulatory barriers to heavy zero emissions vehicle charging infrastructure and what implications would this have for project costs?

RESPONSE

Greater consideration for distribution networks to be aligned with future public transport requirements is important.

Freight location and movements should explicitly include bus location and movements. Buses are currently leading the automotive sector in zero emission uptake, and leveraging existing regulatory data on their movements could both reduce project costs and accelerate assessment of network capability.

Information Request 4.2

What regulatory or administrative actions should governments take (if any) to facilitate private investment in charging infrastructure at state and territory government-provided heavy vehicle rest areas?

RESPONSE

Bus Industry Confederation's (BIC) Zero Emission Bus Policy 2024 highlights this critical condition, that policy must match infrastructure uptake. Refer to policy for details.

Heavy Vehicle Curfews

RESPONSE

This is largely not applicable. Our industry has not been subject to curfews which are primarily noise related. It is highly unlikely that a curfew would be applied to a zero-emission bus.

References

BIC response to the Productivity Commission – Impacts on heavy vehicle reform – December 2025

Zero Emission Bus Policy 2024

*BIC Paper on Dimensions and Mass for Low & Zero Emissions Buses and C*oaches February 2023

ADR Harmonisation Review 2024-2025 February 2025

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