

6 June 2025

Productivity Commission 4 National Circuit Barton ACT 2600, Australia VIA WEBSITE SUBMISSION

RE: National Competition Policy analysis 2025 – Adoption of international and overseas standards in regulatory frameworks, and harmonising regulated standards across Australia

To Whom It May Concern,

Heavy Vehicle Industry Australia (HVIA) is the peak industry association for Australian manufacturers of trucks and trailers (collectively referred to as heavy vehicles), as well as the dealerships, repairers, suppliers, and service providers that support the entire industry. We represent almost every major truck manufacturer/importer, all of Australia's major trailer manufacturers, and an ever-growing list of their component, equipment and technology providers.

HVIA's 300-plus corporate members collectively employ a local workforce of over 70,000 staff. Our member's interests cover an extensive range of vehicles, starting with 3.5-tonne light commercial trucks, and extending all the way up to Australia's unique 50-metre long, 100-tonne road trains.

The industry provides some of the world's most efficient, safe, innovative, and technologically advanced vehicles. HVIA seeks to work with government and industry stakeholders to promote an innovative and prosperous industry that supports a safe and productive heavy vehicle fleet operating for the benefit of all Australians.

HVIA understands that the Productivity Commission was recently directed to provide advice in the form of analysis and modelling for the adoption of international and overseas standards in regulatory frameworks and harmonising regulated standards across Australia.

International and national harmonisation is a key technical advocacy topic for HVIA and its members, who conduct their business undertakings under a complex regulatory framework that is often guided by international standards, namely the Australian Design Rules (ADR) scheme.

Australia is home to some of the largest, most efficient, and most productive heavy vehicle combinations in the world. The transport industry favours large combinations because they are the most efficient way of transporting freight over long distances. Using larger combinations yields fuel savings, emission reductions, reduces infrastructure impacts, and improves safety outcomes. The ultimate result is higher productivity, and lower prices for consumers.

The regulatory environment governing heavy vehicle manufacturing and importing in Australia involves both Commonwealth legislation (via the Road Vehicle Standards Act 2018), which governs the initial entry of motor vehicles into Australia either through manufacture or importation, and

state based legislation through the Heavy Vehicle National Law (which applies in QLD, NSW, ACT, VIC, TAS and SA), and corresponding legislation in WA and NT, which govern the on road use of Vehicles. While those various instruments are broadly complementary there are some areas where they result in duplication or conflicting provisions.

The ADRs are the primary mechanism used to control the prescriptive vehicle standards in Australia. Much of the focus of the Federal Department of Infrastructure (which manages the ADRs) is on harmonisation with the equivalent United Nations rules. That approach is useful in some regulatory environments, but can be problematic when applied to Australia, due to the difference in our heavy vehicle fleet. Our unique vehicles need special consideration, which can be missed during harmonisation efforts.

Another prominent issue is that the process for reviewing ADRs is too slow and cumbersome. It has led to a 'reactive' regulatory system that lags technology development, hinders innovation, reduces choice, and increases cost. There are many examples of outdated or unnecessary rules, as well as contrasting instances where harmonisation is needed, and others where it hasn't worked.

HVIA notes that the Productivity Commission welcomes submissions relevant to the current Competition Policy inquiry that were developed for other review processes. To that end, I would like to highlight our recent detailed submission to the Federal Government on the 2024-25 ADR Harmonisation Review, which is attached. Specific points made in that submission relevant to the current Competition Policy Analysis include:

- review the ADR revision and approval process from end-to-end to streamline it and reduce its resource intensiveness
- redevelop the current Vehicle Standards Consultative Forum (VSCF) to meet quarterly, prioritise issues for the industry, and commit to defined targets and actions
- publicise key information related to ADR review and harmonisation activities and provide a mechanism for industry members to publicly record issues with ADRs or specific clauses
- recognise the inherent drawbacks in the ADR system and minimise those by avoiding the regulation of items that do not need to be regulated.
- explore options to exempt complying imported vehicles from elements of the Type Approval process, introduce manufacturer self-certification, and better implement the 'worst casing' provisions from the UN ECE 1958 Agreement

The submission is also available to view at this link: https://hvia.asn.au/wp-content/uploads/2025/03/adrhr-heavy-vehicle-industry-australia-hvia.pdf

Thanks for the opportunity to engage with the Productivity Commission on this review, and please contact me to discuss any points relevant to HVIA's submission.

Yours sincerely,

ADAM RITZINGER
CHIEF TECHNICAL OFFICER