



2021-22 PRE-BUDGET SUBMISSION THE TREASURY

AUSTRALIAN TRUCKING ASSOCIATION 29 JANUARY 2021

1. About the Australian Trucking Association

The Australian Trucking Association and its member associations collectively represent 50,000 businesses and 200,000 people in the Australian trucking industry. Together we are committed to safety, professionalism and viability.

2. Summary of recommendations

Recommendation 1

The Australian Government should not proceed with the planned 1 July 2021 increase in the superannuation guarantee.

Recommendation 2

The Australian Government should request that the National Cabinet and the Council of Federal Financial Relations progress national payroll tax reform to reduce and remove the tax and compliance burden for business.

Recommendation 3

The Australian Government should request that the National Cabinet and the Council of Federal Financial Relations progress reform and removal of stamp duty on new heavy vehicles, to incentivise the purchase of newer, less emission intensive heavy vehicles.

Recommendation 4

The Australian Government should proactively engage with industry on identifying and removing regulatory barriers to the introduction of new heavy vehicles.

Recommendation 5

The Australian Government should invest in accelerating low and zero emission heavy vehicle technologies, to become commercially viable options for trucking operators.

Recommendation 6

The Australian Government should continue and strengthen its commitment to the infrastructure pipeline, ensuring funding for truck rest areas, freight routes, regional roads and bridge upgrades.

Recommendation 7

The Australian Government should target infrastructure investment to improve road network access for High Productivity Freight Vehicles.

Recommendation 8

The Australian Government should prioritise investment for enabling A-double access on the Hume Highway.

Recommendation 9

The Australian Government should adopt minimum standards on the National Land Transport Network to deliver:

- A. Road safety design standards
- B. Heavy vehicle rest area standards
- C. High Productivity Freight Vehicle access standards
- D. Removal of one-way bridges on the NLTN.

Recommendation 10

The Australian Government should expand the Heavy Vehicle Safety and Productivity Program, with additional funding, to invest in safety upgrades at sale yards.

Recommendation 11

The role of the Australian Transport Safety Bureau should be extended so it can carry out independent, no-blame, safety investigations of road crashes involving heavy vehicles.

Recommendation 12

The Australian Government should invest in expanded resourcing and improved capability for the vehicle standards team in the Department of Infrastructure, Transport, Regional Development and Communications, including improved technical and engineering capability.

Recommendation 13

The Australian Government should invest in additional resourcing and capability for BITRE, to increase the level of transparent evidence-based policy discussion on infrastructure portfolio issues.

Recommendation 14

The Australian Government should reinstate the \$100 million Infrastructure Australia assessment threshold from 1 January 2022, with additional resourcing for more timely assessments by Infrastructure Australia.

Recommendation 15

The Australian Government should initiate an Infrastructure Australia led review of existing Australian Government infrastructure investment programs, to recommend program reforms for improving the independent selection and assessment of infrastructure projects.

Recommendation 16

The Australian Government should reform the Office of Road Safety to become an independent agency, with additional resourcing and responsibility for the Heavy Vehicle Safety Initiatives program.

3. Supporting households and businesses

Not proceeding with the mandatory super increase

The July 2020 Economic and Fiscal Outlook stated that low wages growth will be a factor for some time. The Governor of the Reserve Bank of Australia has also stated that wage growth is expected to be low, averaging 1½ per cent over the next two years.¹

The Governor also noted that the economic recovery depends on how successfully COVID-19 is contained, and that:

Given this uncertain outlook, we should be prepared for a recovery that is uneven and bumpy. The recovery is also likely to be more drawn out than was initially expected despite the downturn being less severe than expected.²

Concerning the impact of the scheduled increase to the superannuation guarantee the Governor noted:

If this increase goes ahead, I would expect wage growth to be even lower than it otherwise would be. So there will be an offset in terms of current income.³

This is the wrong environment to increase the rate of compulsory superannuation contributions. The Grattan Institute notes that at least 80 per cent of the cost of higher compulsory superannuation contributions comes at the cost of lower wages for workers. Additionally, it reduces consumer spending. The cost of tax breaks on higher contributions would be an additional \$2 billion a year by 2025.⁴

Further increasing the pressure on wages growth and consumer spending would likely slow the economic recovery, including for the transportation of consumer goods.

Recommendation 1

The Australian Government should not proceed with the planned 1 July 2021 increase in the superannuation guarantee.

¹ House of Representatives Standing Committee on Economics. Parliament of Australia. [Public Hearing: Reserve Bank of Australia annual report 2019](#). 14 August 2020. 2.

² House of Representatives Standing Committee on Economics. 14 August 2020. 2.

³ House of Representatives Standing Committee on Economics. 14 August 2020. 7.

⁴ Grattan Institute. [The Recovery Book](#). June 2020. 26.

Payroll tax

The Australian Government's 2015 Re:think tax discussion paper found that payroll tax was a relatively efficient way of raising revenue, but also that it was likely to be passed on in the form of lower wages and higher prices.⁵ The 2020 NSW Review of Federal Financial Relations (FFR) draft report reached similar conclusions.⁶

The 2015 review also recognised that there is significant criticism of payroll tax, including its short-run impact on business costs. It warned that a zero threshold would likely impose significant administrative costs and compliance burdens on very small businesses.⁷

The 2010 Future Tax System Review (Henry Review) recommended that in time, payroll tax should be abolished.⁸ The review recognised that the current structure of payroll tax is inefficient, but did not recommend broadening the base and removing exemptions as the policy answer.

COVID-19 has impacted the Australian economy through loss of jobs, loss of income and is now affected by weak demand.⁹ The Australian Chamber,¹⁰ Australia's largest and most representative business network has highlighted that payroll tax is inefficient and impedes business activity such as employing staff.

The Chamber argues that state and territory governments have an over-reliance on payroll taxes as a revenue source and that reducing the payroll tax burden on business is necessary to support business and job growth as the economy recovers from the impact of COVID-19.¹¹

The NSW FFR review draft report recommended national reform to reduce the compliance burden of different payroll tax systems in different state and territory jurisdictions.¹² However, this approach would potentially increase the reliance of states and territories on payroll tax, increase the tax burden on business and increase the compliance cost for small businesses who would risk losing existing exemptions.

Now is not the time to increase the payroll tax burden, with the likely impact flowing through to lower wages and higher prices. Instead, existing state decisions to reduce payroll tax burdens reflects the right intent.

Governments should, through the National Cabinet and the Council of Federal Financial Relations, progress national payroll tax reform, which should:

- reduce the complexity of payroll tax, where that can be achieved without increasing the tax burden for business
- not increase the administrative burden of payroll tax for small businesses
- continue to lower the payroll tax burden on business
- consider a pathway to the abolition of payroll tax.

⁵ Australian Government. [Re: think tax discussion paper](#). March 2015. 143.

⁶ NSW Treasury. [NSW Review of Federal Financial Relations Draft Report](#). July 2020. 74, 75.

⁷ Australian Government. 2015. 144.

⁸ Australian Government. [Australia's future tax system. Part one overview](#). December 2009. Xviii.

⁹ Grattan Institute. June 2020. 16.

¹⁰ The ATA is a member of the Australian Chamber.

¹¹ Australian Chamber. [Pre-Budget Submission 2020-21](#). July 2020. 5, 6.

¹² NSW Treasury. [NSW Review of Federal Financial Relations Draft Report](#). July 2020. 81.

Recommendation 2

The Australian Government should request that the National Cabinet and the Council of Federal Financial Relations progress national payroll tax reform to reduce and remove the tax and compliance burden for business.

4. Supporting Australia's energy transition

The Australian Government's Low Emission Technology Roadmap sets out the importance of enabling technology to reduce Australia's emissions. The Technology Investment Roadmap Discussion Paper set out that low emission options for heavy vehicles and road freight as a challenge to be addressed beyond 2030.

However, the trucking industry is already moving to reduce emissions.

High Productivity Freight Vehicles move more freight with lower emissions and fewer vehicle movements. For example, using an A-double instead of a semi-trailer to move 1000 tonnes of freight would reduce emissions by 28 per cent, and the number of truck trips required can be reduced by half.¹³

Austrroads has reported that high productivity freight vehicles (HPFV) reduce emissions, reduce diesel use and that operational HPFV fleets, due to the use of newer vehicles, are reported to make use of the latest emissions standards.¹⁴

Electric heavy vehicles have entered the Australian market. Daimler Truck and Bus, an ATA member, will introduce an all-electric light truck in Australia in February 2021.¹⁵ Volvo, also an ATA member, has brought the Volvo FL Electric truck to Australia for trials and evaluation in Australian logistics.¹⁶ The Prime Minister drove the Volvo FL Electric truck in a January 2021 visit to Volvo Group Australia's production facility at Wacol, Queensland.

Hydrogen fuel cell heavy vehicles are under development and are entering the market internationally. The Hydrogen Transition Centre, established by Deakin University with \$2 million in Australian Government funding, will partner with truck manufacturer PACCAR (an ATA member) to further develop the potential of this technology.¹⁷ Internationally, Volvo and Daimler have signed a fuel-cell joint venture to develop, produce and commercialise fuel-cell systems for use in heavy vehicles.¹⁸

However, **a stronger policy framework is required to remove barriers for industry-led transport energy transition and to accelerate that transition.**

¹³ ATA. [Truck Impact Chart](#). March 2018. 25.

¹⁴ Austrroads. Quantifying the Benefits of High Productivity Vehicles. 2014. pi.

¹⁵ Prime Mover Magazine. 29 July 2020. [Fuso announces launch of all-electric eCanter in Australia](#).

¹⁶ The Driven, 18 January 2021. [First Volvo FL electric truck reaches Australian shores](#).

¹⁷ Deakin University. [Warrnambool research centre tests trucks running on water](#). 16 December 2019.

¹⁸ Daimler, November 2019. [Fuel-cell joint venture](#).

The Australian Government should:

- Deliver a national High Productivity Freight Vehicle network (further discussed under **infrastructure**)
- Lead reform to stamp duties to incentivise the purchase of new heavy vehicles
- Identify and remove regulatory barriers to new and low emission heavy vehicles
- Accelerate the commercial viability of low and zero emission heavy vehicles.

Stamp duty tax reform to incentivise the purchase of new heavy vehicles

Stamp duties are economically inefficient. They restrict the efficient allocation of capital and labour. Governments should be looking at reducing their reliance on stamp duty as a matter of priority.

The Australia's Future Tax Review (Henry Tax Review) recommended in 2010 that there should be no role for any stamp duties in a modern Australian tax system.¹⁹ In 2015, the Australian Government tax discussion paper noted that stamp duties are some of the most inefficient taxes levied in Australia, and that such taxes are more likely to discourage turnover of taxed goods.²⁰

KPMG has noted that the more inefficient or distorting a tax is, the more likely resources will be moved away from their highest-value use, leading to lower productivity across the economy and lower living standards.²¹ KPMG also reported that motor vehicle taxes, including stamp duties, are taxes on capital and increase the cost of investing in motor vehicles. This in turn leads to a reduction in investment in vehicles, and a high excess burden.²²

The NSW Review of Federal Financial Relations draft report recognises that stamp duty on motor vehicles should be replaced and that they discourage vehicle owners from changing and upgrading vehicles, contributing to the average Australian car being 10 years old compared to the Western European average of eight years.²³

Australia's heavy vehicle fleet is older. The average age of articulated trucks is 12 years; the average age of heavy rigid trucks is 15.7 years.²⁴

ANZ analysis in 2017 found that the national average fleet age continues to age at record levels, and that the **industry will need to invest in excess of \$3.5 billion in capital over 5 years just to meet expected demand**²⁵.

Investment needs to be higher to reduce the average age of the truck fleet, which should be a priority. Newer vehicles have the latest safety technologies, meet newer emissions standards, and are quieter. Additionally, uptake of new transport energy technologies will require investment by trucking operators.

The Australian Government has commendably incentivised business investment in heavy vehicles, through its economic response to COVID-19 and the extension of the instant asset

¹⁹ Recommendation 51 in [Australia's Future Tax System report to the Treasurer](#), December 2009.

²⁰ Australian Government, March 2015, [Re:think tax discussion paper](#), 145.

²¹ KPMG, September 2011, [Economic Analysis of the Impacts of Using GST to Reform Taxes](#), 1, 4.

²² KPMG. 2011. 6.

²³ NSW Treasury. July 2020. [NSW Review of Federal Financial Relations Draft Report](#), 87.

²⁴ Australian Bureau of Statistics. 2020. [Motor Vehicle Census](#). Table 3.

²⁵ ANZ, 2017. Information provided to the ATA.

write off and the introduction of temporary full expensing. Sales of new trucks were significantly impacted by COVID-19, before recovering strongly. The December quarter, when full expensing took effect, was the strongest quarter for 2020 and stronger than the same period in 2019.²⁶

Recommendation 3

The Australian Government should request that the National Cabinet and the Council of Federal Financial Relations progress reform and removal of stamp duty on new heavy vehicles, to incentivise the purchase of newer, less emission intensive heavy vehicles.

Removing regulatory barriers and accelerating the commercial viability of low and zero emission heavy vehicles

The Australian Government should engage with industry and prioritise identifying regulatory and vehicle design rule barriers to new heavy vehicles, to ensure these rules do not unnecessarily hold up the introduction of new models into the Australian market.

For example, mass and length concessions may be required to account for hydrogen fuel cells, and Australia's width rules are out of step with international standards. Maintaining Australia's out-dated width rules are likely to slow the introduction of new models developed internationally.

Vehicle dimension rules currently set the width for Australian trucks at 2.5 metres wide, excluding safety devices like mirrors. A standard traffic lane is 3.5 metres wide, or 3.3 metres in some urban settings.

The Australian Government policy is to harmonise vehicle safety standards with international regulations where possible, in line with existing international commitments.²⁷

Governments are currently researching a width increase to 2.55 metres but have excluded consideration of 2.6 metres. However, the existing international standard for refrigerated vehicles is 2.6 metres. This would enable refrigerated trucks to utilise thicker insulated walls without loss of payload. In 38 degrees outside temperatures, these thicker walls would reduce heat gain by 36 per cent and deliver a fuel saving of 2,500 litres per typical refrigerated vehicle per year.

Additionally, the Australian Government should seek to accelerate the uptake of new technologies. As seen in the electricity energy sector, new technologies take time to become commercially viable and targeted support can accelerate that process.

Recommendation 4

The Australian Government should proactively engage with industry on identifying and removing regulatory barriers to the introduction of new heavy vehicles.

²⁶ Truck Industry Council, January 2021. [Truck Market Comment: Fourth Quarter, 2020](#). 1.

²⁷ Department of Infrastructure, Transport, Regional Development and Communications. [Australian Design Rules: Harmonisation](#). Accessed 12 August 2020.

Recommendation 5

The Australian Government should invest in accelerating low and zero emission heavy vehicle technologies, to become commercially viable options for trucking operators.

5. Infrastructure

The ATA welcomes the Australian Government's commitment to building better infrastructure. Key elements of this approach include:

- Commitment to the \$110 billion infrastructure pipeline
- Independent assessment of major project business cases and infrastructure priorities by Infrastructure Australia
- Funding regional and strategic freight links, including through the Roads of Strategic Importance program
- Continued commitment to heavy vehicle specific projects, especially new and upgraded rest areas, through the Heavy Vehicle Safety and Productivity Program
- Accelerated infrastructure funding to respond to the impacts of COVID-19 (for shovel ready projects and targeted road safety works)
- Funding of corridor strategies to guide investment decisions (for the Newell and Princes highways)
- Continued support for local roads and bridges.

The Government should expand and continue to invest in the above elements. It should also build on this approach with a stronger prioritisation of enabling High Productivity Freight Vehicles (HPFV) and expanding HPFV road network access. **The Government should maximise the productivity benefit from its existing infrastructure investment program.**

Recommendation 7

The Australian Government should continue and strengthen its commitment to the infrastructure pipeline, ensuring funding for truck rest areas, freight routes, regional roads and bridge upgrades.

Infrastructure and productivity

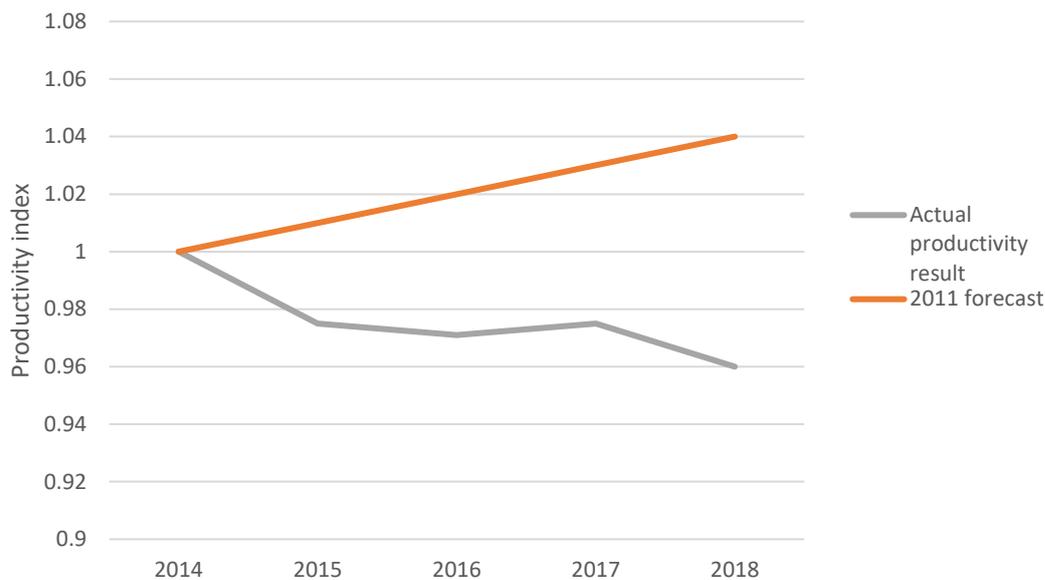
In 2011, it was predicted that the proposed Heavy Vehicle National Law would deliver up to \$12.4 billion in economic benefits,²⁸ with most of the benefits concentrated in gains for access for more productive vehicles.²⁹ The following chart shows the reality: the productivity of the transport, postal and warehousing sector has fallen steadily since the HVNL came into force in 2014.³⁰

²⁸ NTC, [Heavy Vehicle National Law regulation impact statement](#). September 2011. 16

²⁹ Deloitte Access Economics. [Economic benefits of improved regulation in the Australian trucking industry](#). March 2019. 17.

³⁰ Deloitte Access Economics. March 2019. 21.

Forecast and actual changes to industry productivity, 2014-2018



Source: Deloitte Access Economics

The Productivity Commission has also concluded that the productivity gains from the reforms have been far less than the original estimates.³¹ The Commission reported that increases in vehicle size have driven past efficiency growth, with the introduction of semi-trailers and then B-doubles, increases in mass and dimension limits, improved road infrastructure and other regulatory changes contributing to heavy vehicle productivity increasing by almost 500 per cent between 1971 and 2007.³²

However, since 2010 the Commission estimates that heavy vehicle productivity has not improved with slower growth in the freight task, strong growth in the number of heavy vehicles and little change in the tonne kilometres carried per heavy vehicle.³³

The economic benefits of improved heavy vehicle productivity and increased use of more productive trucks are significant. Deloitte Access Economics has estimated annual cost savings could include:

- \$80 million for wholesale trade
- \$70 million for construction services
- \$40 million for retail trade
- \$30 million for house construction
- \$30 million for meat processing.³⁴

It is estimated that the average consumer could save \$452 per annum on everyday purchases as a result of reforms to increase the use of more productive trucks.³⁵

³¹ Productivity Commission, [National transport regulatory reform](#). Draft report. November 2019. 173.

³² Productivity Commission. November 2019. 176.

³³ Productivity Commission. November 2019. 176.

³⁴ Deloitte Access Economics. [Economic benefits of improved regulation in the Australian trucking industry](#). March 2019. 45.

³⁵ Deloitte Access Economics. March 2019. 46.

Increasing road access for high productivity freight vehicles

The 2019 Australian Infrastructure Audit found that:

- HPFVs reduce total vehicle movements, reduce congestion growth, lower costs of freight, enable faster delivery times and are more likely to be safer, quieter and be less emissions intensive³⁶
- Despite their benefits, the use of HPFVs on our roads has been limited
- Restricting the use of HPFVs locks in high freight costs for businesses and consumers, and limit benefits to road safety, air pollution and amenity.³⁷

Increasing road access for HPFVs would boost productivity for road freight and enable wider economic gains. However, there are gaps in the infrastructure network that the Government should address.

The ATA submission to the department's Newell Highway Corridor Strategy analysed access for various HPFV combinations on the Newell Highway.³⁸ For most combinations above the B-double, there are significant gaps in access.

On other freight routes, such as the Princes Highway, there are even gaps in infrastructure access for B-doubles.

Immediate priority – A-double access on the Hume Highway

On the Hume Highway, Transport for New South Wales' strategic goal is to allow the use of 30 metre PBS A-doubles, with the ATA now carrying out a technical evaluation of 35 metre modular A-doubles.

Enabling the use of these trucks on the Hume Highway in NSW would be an enormous boost to the industry's productivity. The Productivity Commission finds that reducing heavy vehicle operating costs and opening up access for more productive trucks on a road with a large freight load is likely to lead to greater cost savings and benefits (especially on the Brisbane-Sydney-Melbourne corridor).³⁹ The Hume Highway is Australia's busiest interstate freight route and carries 40 per cent of the total national road freight task.⁴⁰

The Hume Highway is a national priority corridor which has already benefited from significant infrastructure upgrades and duplication. However, it requires:

- upgrades to rest areas along the highway to allow for the longer length of the combination
- coupling/de-coupling areas at the Sydney end of the highway and
- the upgrade of the 1977 box girder bridge that carries northbound traffic across the Murrumbidgee River at Gundagai. The upgrade would be needed to remove mass constraints from the operation of these trucks.

³⁶ Infrastructure Australia, [An assessment of Australia's future infrastructure needs: the Australian Infrastructure Audit 2019](#), June 2019. 344.

³⁷ Infrastructure Australia. June 2019. 345.

³⁸ ATA, [Newell Highway corridor strategy](#). Submission to PwC/ Department of Infrastructure, Regional Development and Cities. April 2019.

³⁹ Productivity Commission. November 2019. 175.

⁴⁰ Transport for NSW. [NSW Heavy Vehicle Access Policy Framework](#). September 2018. 33.

The following table highlights the productivity advantages of allowing high productivity freight vehicles such as PBS 2B and 3A trucks on the Hume Highway and other national freight routes.

Configuration	Nominal payload (t)	Payload equivalent (mass)	Trips to move 1000t (GML)	Cubic pallet capacity
19m (24 pallet) semi-trailer 	24.04	1.00	42	24
26m 36 pallet B-double 	38.84	1.62	26	36
PBS 30m A-double 	48.73	2.03	21	40
35m modular A-double 	48.73	2.03	21	44

A PBS 30 metre A double – comprising a prime mover and two trailers linked by a converter dolly – can carry twice as much freight by mass as a conventional semi-trailer, or 40 pallets of cubic freight compared to 36 pallets for a B-double or 24 pallets for a semi-trailer.

At a time when the productivity of the transport, postal and warehousing sector is declining, upgrading the Gundagai Bridge and permitting PBS 30 metre A-doubles onto the Hume Highway would improve productivity, reduce congestion and reduce the cost of transporting products by road.

Other upgrades that would be needed include extending heavy vehicle rest areas that were designed to handle B-doubles rather than these longer combinations. There is also a lack of coupling/de-coupling sites at the Sydney end of the highway.

With these upgrades in place, some PBS A-doubles could be allowed on the Hume Highway, with mass constraints lifted once the Sheahan Bridge is upgraded.

Recommendation 8

The Australian Government should target infrastructure investment to improve road network access for High Productivity Freight Vehicles.

Recommendation 9

The Australian Government should prioritise investment for enabling A-double access on the Hume Highway.

Investing in our national highways

Whilst the Australian Government is not a road manager, it does determine a network of nationally important road and rail links, the National Land Transport Network (NLTN). This network was updated on 1 July 2020 and NLTN projects receive significant investment support from the Australian Government.

The Australian Government should ensure that the NLTN reflects safety and productivity standards to support the growth of the Australian economy. This should include:

- Safe roads principles and minimum road safety design standards
- Deliver the highest category in the nationally agreed Austroads guidelines for the provision of heavy vehicle rest areas as a minimum NLTN standard
- Upgrading regional and remote links of the NLTN, including replacing one-way bridges
- Fixing infrastructure gaps to enable a minimum A-double HPFV access on the network
- Providing HPFV access on the NLTN by a notice (gazette), removing red tape and the need for individual permit applications.

State and territory governments should be required to develop investment plans to deliver these safety and productivity standards for the national highway network.

It is critical that new standards for the national highway network include heavy vehicle rest areas in addition to access for HPFVs. Rest areas enable drivers to rest so they are more alert and safer when driving.⁴¹

Austroads released new truck rest area guidelines in January 2019. The new guidelines specify that:

- Detailed heavy vehicle rest areas strategies should be developed for major highways and significant freight routes
- Class 1 and 2 rest areas should be 70-100 kilometres apart; class 3 and 4 rest areas should be 35-50 kilometres apart, and class 5 rest areas should be 15-25 kilometres apart.

The guidelines also set out detailed considerations for the services that should be provided at each class of rest area.

Recommendation 10

The Australian Government should adopt minimum standards on the National Land Transport Network to deliver:

- A. Road safety design standards
- B. Heavy vehicle rest area standards
- C. High Productivity Freight Vehicle access standards
- D. Removal of one-way bridges on the NLTN.

⁴¹ Austroads, [Guidelines for the provision of heavy vehicle rest area facilities](#), 2019, 7.

Safety upgrades at sale yards

Loading ramps and sale yards are a critical safety issue for livestock transport operators, as advocated by the Australian Livestock and Rural Transporters Association (ALRTA), an ATA member association.

The design, positioning, quality and availability (or absence) of livestock handling infrastructure at saleyards has a very significant influence on heavy vehicle unloading and loading tasks. This includes direct on-site safety risks (such as slips, trips, falls, cuts, bruises etc) and on-road fatigue and mass risks (arising from slow loading, physical effort, frustration or poor precision).⁴²

The Australian Government should invest in safety upgrades at sale yards, a key heavy vehicle safety issue. This should be included under the Heavy Vehicle Safety and Productivity Program, with additional funding.

Recommendation 11

The Australian Government should expand the Heavy Vehicle Safety and Productivity Program, with additional funding, to invest in safety upgrades at sale yards.

6. Safety focused crash investigations

Presently, road crashes are investigated by the police and the coronial system. While this system may meet the needs of the legal and insurance systems, it is not achieving the reduction in road crashes that governments should be seeking.

In contrast, the Australian Transport Safety Bureau (ATSB) conducts independent investigations of transport crashes and other safety occurrences in the aviation, marine and rail modes of transport. Lessons arising from ATSB investigations are used to reduce the risk of future accidents and incidents through the implementation of safety action by industry and the Government.

The ATSB also seeks to improve safety and public confidence in those transport modes by pursuing excellence in safety data and research and fostering safety awareness, in addition to independent investigation of accidents.

The ATSB is an independent statutory agency that is separated from transport regulators, policy makers and service providers. It is not a function of the ATSB to apportion blame or to provide a means for determining liability.

As stated by the ATSB, no blame does not mean no responsibility. It means that disciplinary action and criminal or liability assessment are not part of an ATSB safety investigation and should, if necessary, be progressed through separate parallel processes.

⁴² ALRTA, 1 March 2019. [Chain of Responsibility at Saleyards](#).

Introducing ATSB investigations of road crashes involving trucks would supplement, not replace, existing police and coronial investigations and would provide valuable insights and recommendations for improving safety.

That's why the ATA has long argued for the role of the ATSB to be extended to include crashes involving heavy vehicles; the Productivity Commission has made a similar recommendation.⁴³

Recommendation 12

The role of the Australian Transport Safety Bureau should be extended so it can carry out independent, no-blame, safety investigations of road crashes involving heavy vehicles.

7. Resourcing effective policy and outcomes

Budget 2021-22 should invest in improved departmental and agency capability and resourcing to deliver better outcomes for industry and more effective policy.

Supporting better vehicle standards

Vehicle standards is a critical public policy role of the Australian Government, impacting the safety, productivity and sustainability of Australia's transport fleet:

- Regulatory barriers to new heavy vehicles and low and zero emission heavy vehicles needs proactive engagement by government
- Heavy vehicle width rules do not meet international consistency and this issue has been ongoing for decades without resolution
- The process for mandating new safety technologies is slow
- Vehicle standards and applying them to Australian conditions requires a high level of technical and engineering expertise and analysis.

Recommendation 13

The Australian Government should invest in expanded resourcing and improved capability for the vehicle standards team in the Department of Infrastructure, Transport, Regional Development and Communications, including improved technical and engineering capability.

National Data Hub and investing in BITRE

The Australian Government is investing in improving national freight data through the establishment of the National Freight Data Hub.

Whilst this commitment is commendable, it should be accompanied with investment in the Bureau of Infrastructure and Transport Research Economics (BITRE).

⁴³ Productivity Commission, [National transport regulatory reform](#). Draft report, November 2019. 322.

BITRE provides a critical data role, including on road safety, infrastructure, freight and vehicle movements. However, some publications and issues are released inconsistently, reducing their ability to inform public policy. For example, data on interstate corridor average traffic do not appear to have been updated since 2013-14.

A commitment to better data and evidence-based policy should include improving the capability and resourcing of BITRE. More data sets should be released more regularly and consistently, with a public work program for new projects and evaluations to be undertaken.

Recommendation 14

The Australian Government should invest in additional resourcing and capability for BITRE, to increase the level of transparent evidence-based policy discussion on infrastructure portfolio issues.

Infrastructure Australia and more effective infrastructure investment

Infrastructure Australia (IA) has been an important addition to Australia's infrastructure policy and investment framework. First established in 2008, key reforms were introduced in 2013 and 2014:

- Establishing IA as an independent body (amendment legislation passed by parliament in 2014). Previously, IA was part of the then Department of Infrastructure and Regional Development.⁴⁴
- Establishing the \$100 million threshold for IA assessment. The 2014 Statement of Expectations issued to IA set out that IA would evaluate the assessments of project proposals where funding sought from the Commonwealth was for more than \$100 million.⁴⁵

From 1 January 2021, this threshold has been increased to \$250 million to support an infrastructure-led recovery from the impacts of COVID-19, to accelerate the delivery of projects.⁴⁶ As this measure will reduce the independent assessment of infrastructure projects and ensuring Commonwealth investments are directed to projects with greater illustrated benefits, the ATA strongly recommends it should be temporary. **The \$100 million IA assessment threshold should be reintroduced from 1 January 2022.** IA should receive additional resources to provide more timely assessments and greater assistance to project proponents undertaking IA assessment.

The Productivity Commission has reported that road funding decisions are often based on inadequate information, inadequate assessment of the costs and benefits of projects, and are subject to budgetary and electoral pressures.⁴⁷ Reducing the level of independent assessment of proposed projects will only risk increasing these risks, reducing the effectiveness of infrastructure investment and ultimately requiring a higher level of investment from the Government.

⁴⁴ House of Representatives, [Infrastructure Australia Amendment Bill 2013](#) and Infrastructure Australia, [Accountability and reporting](#). Accessed 22 January 2021.

⁴⁵ [2014 Statement of Expectations](#) issued to IA by the Deputy Prime Minister, 1 November 2014.

⁴⁶ Minister for Infrastructure, Transport and Regional Development. 11 December 2020. [Infrastructure Australia to focus on highest-priority projects for nation's economic recovery](#).

⁴⁷ Productivity Commission, [Public Infrastructure](#), May 2014, 303.

Instead of reducing the level of IA project assessment, the Government should plan to increase the level of IA assessment of Commonwealth infrastructure investment. This should include an IA led review of existing Commonwealth infrastructure investment programs, with a view to improving the independent assessment of all Commonwealth funded infrastructure projects.

Recommendation 15

The Australian Government should reinstate the \$100 million Infrastructure Australia assessment threshold from 1 January 2022, with additional resourcing for more timely assessments by Infrastructure Australia.

Recommendation 16

The Australian Government should initiate an Infrastructure Australia led review of existing Australian Government infrastructure investment programs, to recommend program reforms for improving the independent selection and assessment of infrastructure projects.

Office of Road Safety

The ATA is a strong supporter of the Office of Road Safety (ORS), which should be enhanced. Similar to the original establishment of Infrastructure Australia, ORS is a part of the Department of Infrastructure, Transport, Regional Development and Communications.

Following the 2013-14 reforms to IA, it has been illustrated the impact that independent bodies can have in the infrastructure portfolio, informing policy, debate and outcomes. Similarly, ORS should be established as an independent body with the ability to lead national road safety policy debate and reforms. Similar to IA, the Government should then task an independent ORS with a statement of expectations. This would require additional resourcing.

Investing in ORS should also include improving its role in road safety funding for heavy vehicles. The Australian Government funds the Heavy Vehicle Safety Initiatives (HVSIs) program, administered by the National Heavy Vehicle Regulator (NHVR).

The NHVR is a safety and productivity regulator and is not a Commonwealth agency. Resourcing ORS to manage the HVSIs program would allow the NHVR to focus on its core responsibilities, allow ORS to ensure the HVSIs program reflects changes to road safety funding advice and place Commonwealth funded grants under the management of a Commonwealth agency.

Recommendation 17

The Australian Government should reform the Office of Road Safety to become an independent agency, with additional resourcing and responsibility for the Heavy Vehicle Safety Initiatives program.