



Australian Government

**Department of Infrastructure
and Regional Development**

Andrew Hyles

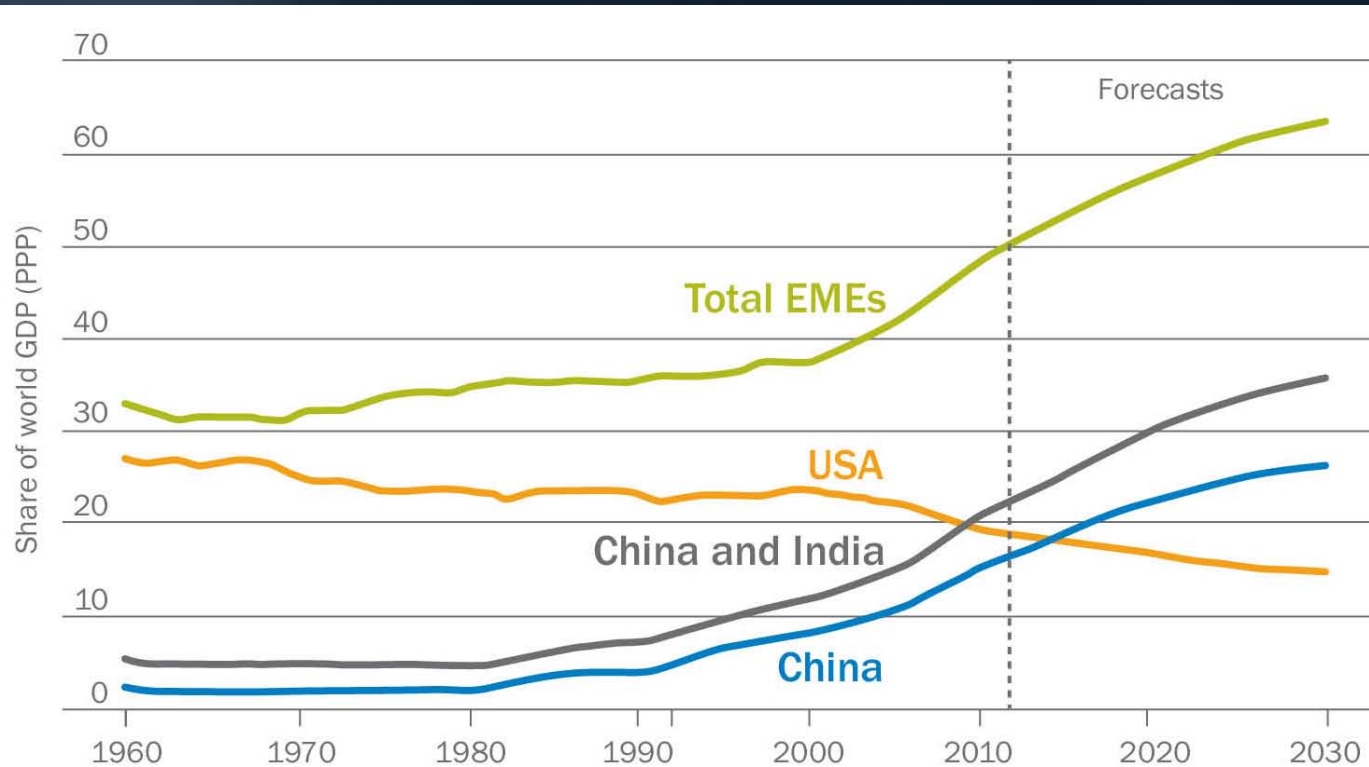
Heavy Vehicle Reform and
Technology

Policy context

- Asian economic growth
- Declining productivity
- Population growth and urbanisation
- Ageing population
- Emissions
- Safety

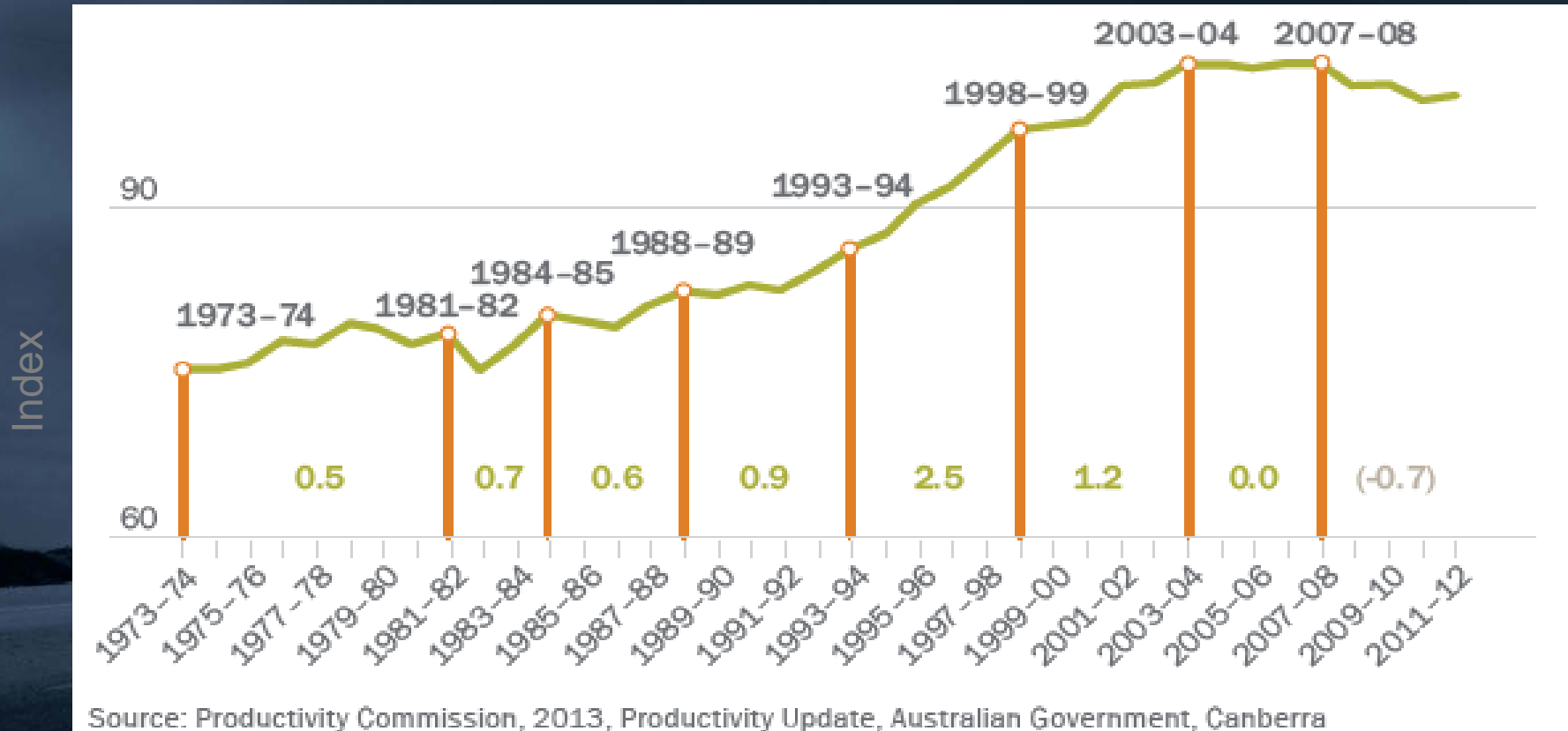


Global economy: the emergence of Asia



Source: Thea Conference Board Total Economy Database, Maddison (2010), IMF World Economic Outlook Database and Treasury.

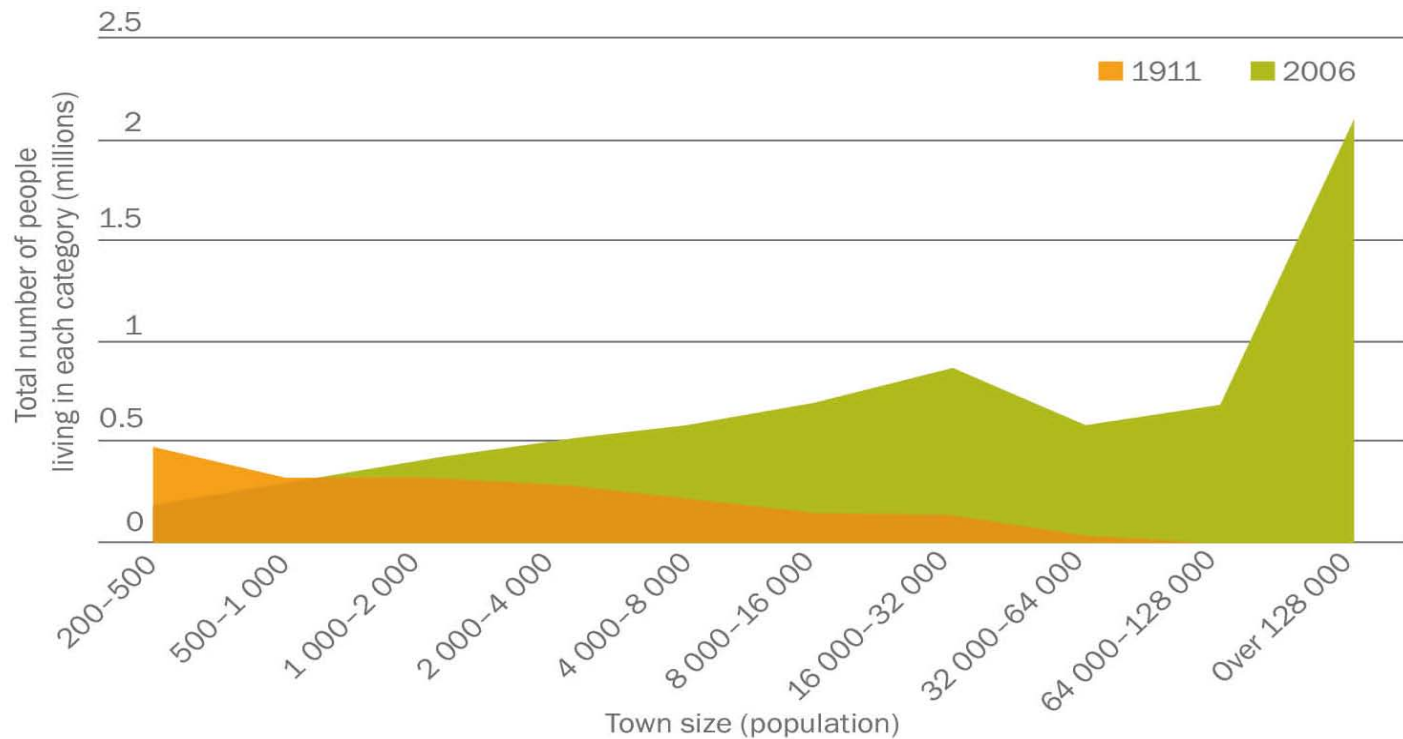
Australian economy: productivity



Index: 2010-11 = 100

Population: where people live

Distribution of regional population by town size grouping, in 1911 and 2006

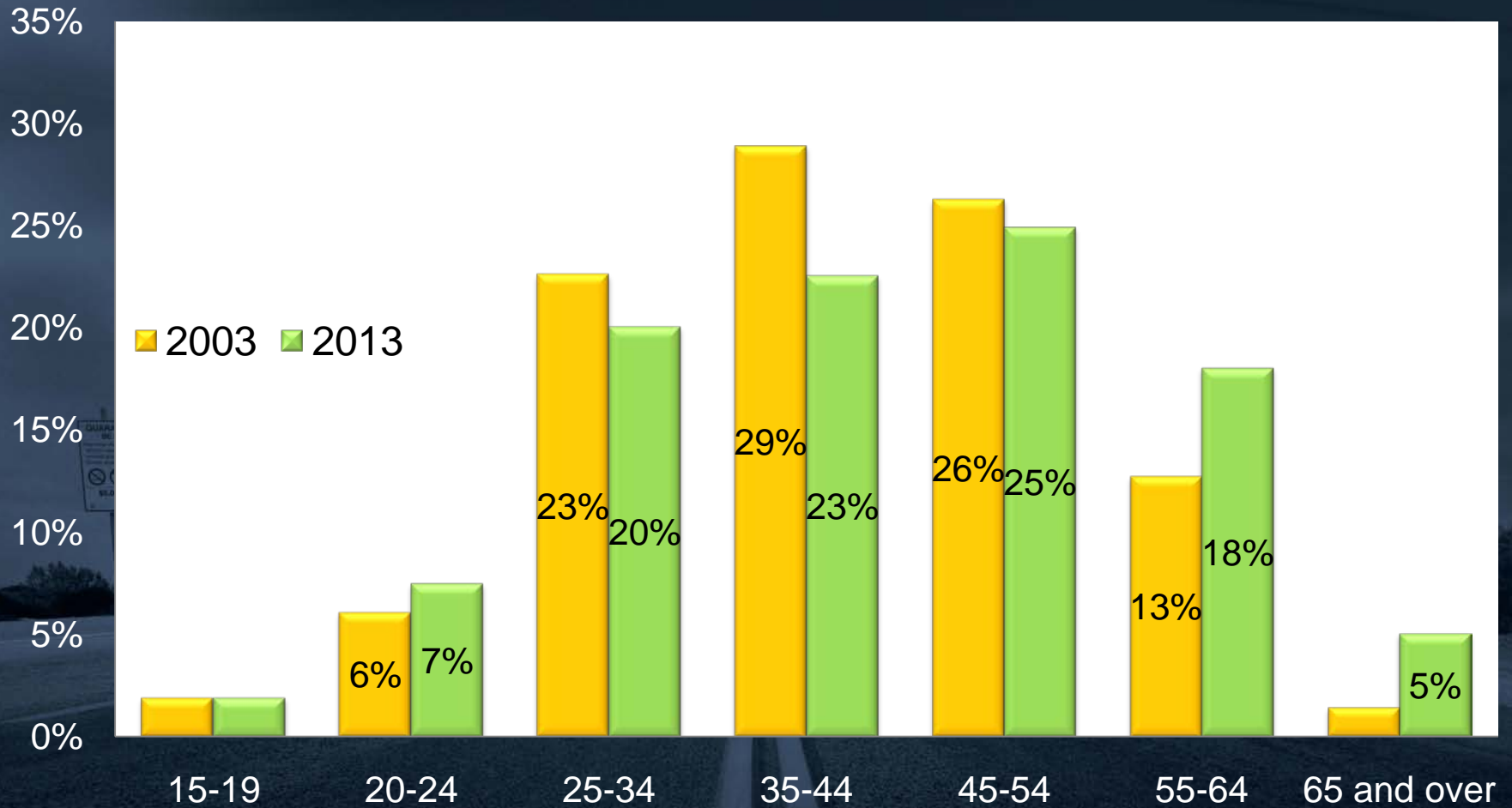


Source: BITRE analysis of ABS Census results.

Australia: population in 2030

- Almost 30 million people
- More people will live in 'major' cities (100,000+ people)
- Australia faces a very high 'demographic bill' from our ageing population
 - 1 in 5 Australians will be over 65
 - 130,000 tax payers a year will retire from the labour force - 5 working people for each retiree (it's 7 today)

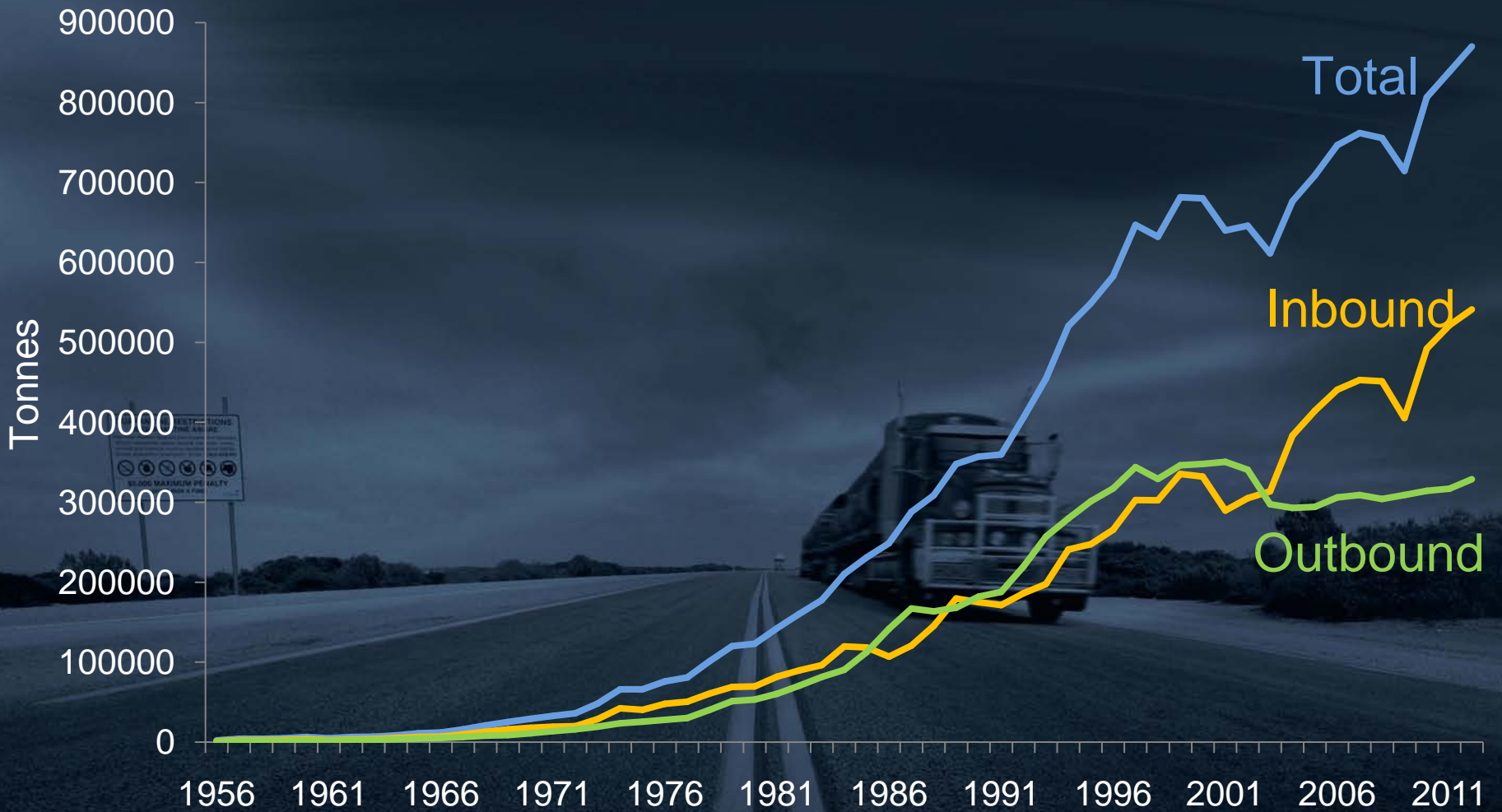
Transport: Second oldest industry workforce



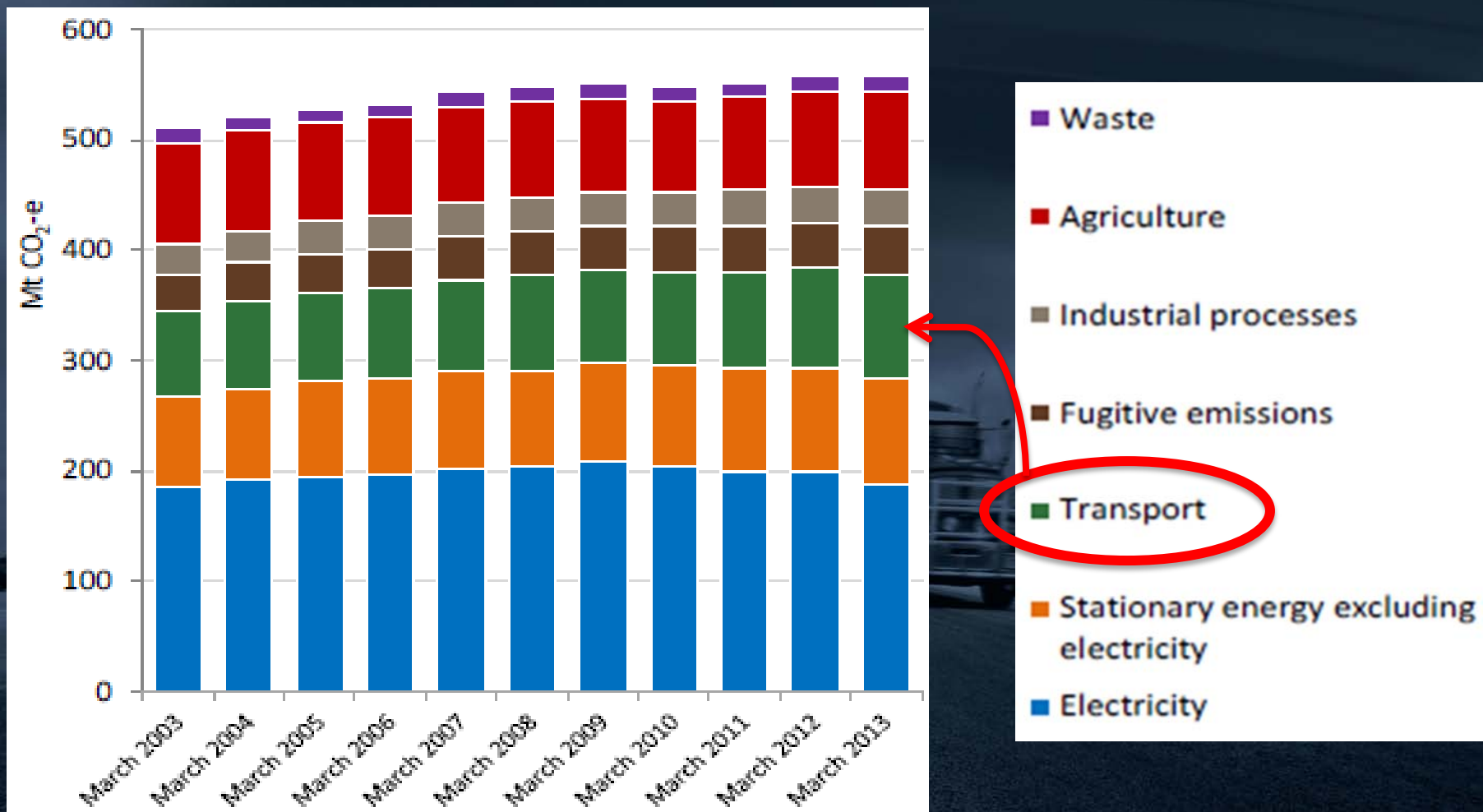
Freight: expected growth by 2030

- Bulk freight task – 80% increase
- Non-bulk freight task – 70% increase
- Truck traffic – 60% increase
- Rail freight – 90% increase
- Bulk freight processed by ports – 100% increase
- Containerised freight – 150% increase
- Aviation freight volume – 120% increase

Freight: imports and exports



Emissions: sources in Australia



The challenge for governments and industry



- Better use of existing assets
- Getting the highest return out of our investment in infrastructure
- Institutional reform including decision making processes and reducing regulatory burden
- Improving the dialogue about infrastructure provision, use and charging

What are governments doing?

- Economic market reforms to key parts of the transport sector
- Regulatory reform to streamline processes and enhance productivity, while minimising compliance burdens
- Investment targeted at delivering safe and efficient road services



The National Heavy Vehicle Regulator

- In 2009, COAG agreed to establish the NHVR
- Commenced in 2013, currently operating National Heavy Vehicle Accreditation and Performance Based Standards schemes
- Expected to be fully operational early in 2014

Heavy Vehicle Charging and Investment Reforms

- Productivity Commission report 2007 suggested significant benefits from improvements to road infrastructure provision and use by heavy vehicles
- The 2012 Feasibility Study confirmed reform was possible and beneficial
- Reforms are needed to both pricing and charging (demand-side) and transparency and institutional governance (supply-side)

HVCI: The next steps

- HVCI has developed a Strategic Directions Report which will be considered by transport Ministers
- This Report includes various reform option packages, including moving to Mass Distance Location charging
- The focus is now on developing a phased, implementable reform plan

National initiatives for ports and freight

- Long term, integrated planning
 - Key freight routes
 - Investing in the right infrastructure at the right time
 - Better national freight and ports data and performance measures
 - Community engagement
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- A semi-truck is driving on a road at night. On the left side of the road, there is a sign that reads "QUARANTINE RESTRICTIONS BE QUARANTINE AREA" and "SLOTTED MAXIMUM PENALTY (SPENT IN A FINE)". The sign also features several circular icons representing different types of vehicles or equipment that are restricted. The background is dark, suggesting a night or dusk setting.

Technology: Opportunities and challenges

- Technology can help facilitate access
- PBS Route Assessment Tool helps governments assess freight routes
- In-vehicle telematics can monitor heavy vehicle access conditions
- Compliance and Enforcement Framework for heavy vehicle telematics is currently being developed

Infrastructure investment

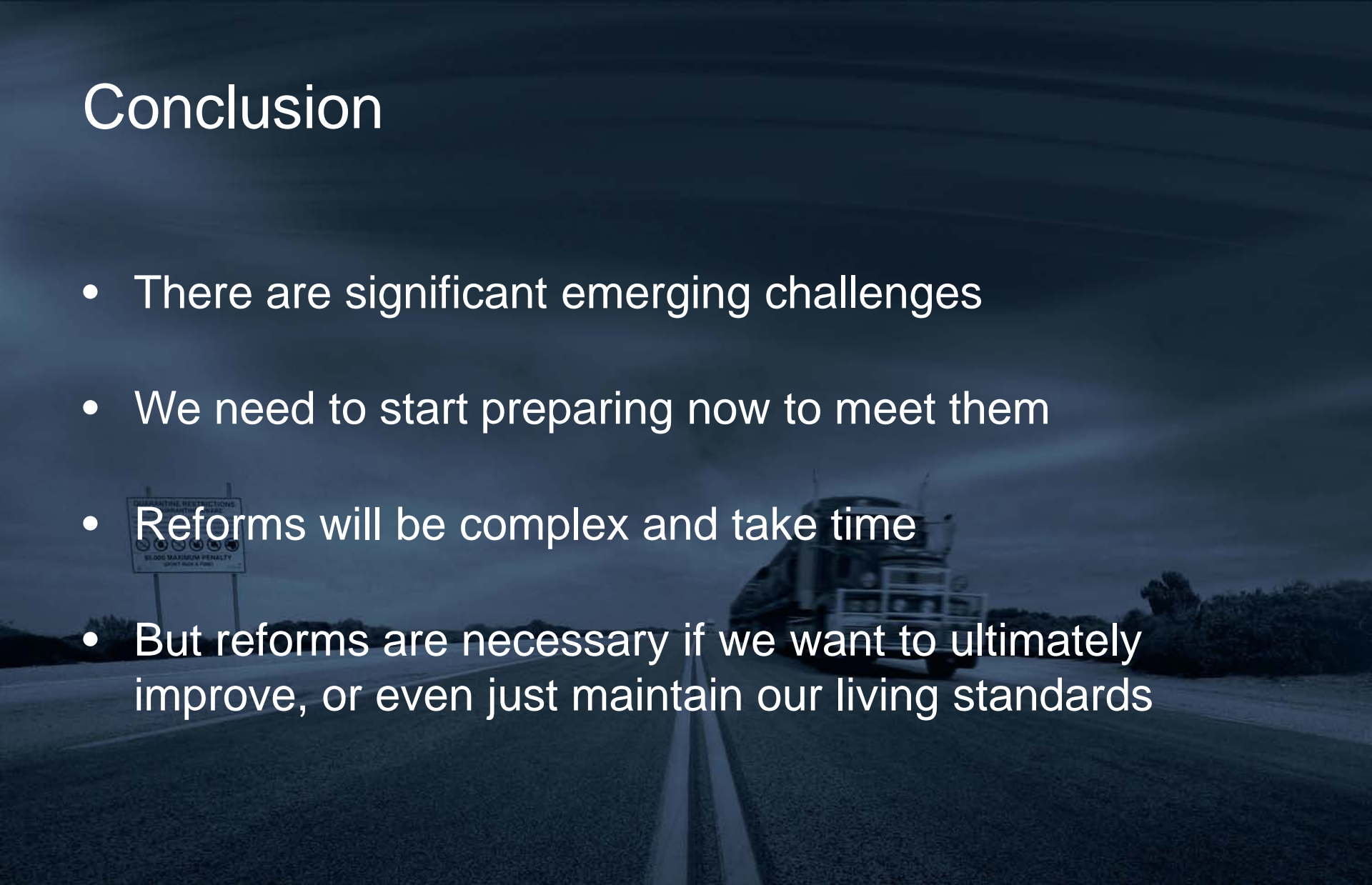
- Roads to Recovery – extended until 30 June 2019 with \$1.75 billion in funding
- Black Spots – extended until 2018-2019 with \$300 million from 1 July 2014
- Bridges Renewal – commitment of \$300 million to upgrade bridges
- Rest areas – commitment to build 500 new rest stops over the next 10 years



Key milestones

Activity	Timing
National Land Freight and Ports initiatives	Current and ongoing
National Heavy Vehicle Regulator – fully operational	early 2014
Heavy Vehicle Charging and Investment Reforms	mid 2014
State and territory freight plans	all by December 2014

Conclusion

- There are significant emerging challenges
 - We need to start preparing now to meet them
 - Reforms will be complex and take time
 - But reforms are necessary if we want to ultimately improve, or even just maintain our living standards
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- A semi-truck is driving on a road at night. The road is illuminated by streetlights, and the truck's headlights are visible. On the left side of the road, there is a speed limit sign that reads "SUPPORTIVE RESTRICTIONS" and "SPEED LIMIT 65". The background shows a dark sky and some trees.