

2025 FEDERAL ELECTION PRIORITIES

How the next Australian Government can assist manufacturers and suppliers of heavy vehicles and their components, equipment and technology.





HVIA Purpose

To promote and advocate for an innovative, safe, productive and sustainable heavy vehicle industry for Australia.



Contents

HVIA Purpose	2
.....	
Who is HVIA?	5
.....	
Our Recommendations	5
.....	
Recommendation 1	6
Assist Australian Manufacturers of Trucks and Trailers	
.....	
Recommendation 2	7
Support the Net Zero Transition of Heavy Vehicles	
.....	
Recommendation 3	8
Grow the Future Heavy Vehicle Workforce	
.....	
Recommendation 4	9
Enable Higher Productivity Heavy Vehicles	
.....	
Recommendation 5	10
Optimise Australia's Road Infrastructure	
.....	

February 2025

Dear Federal Representative,

Heavy Vehicle Industry Australia (HVIA) is delighted to release its 2025 Federal Election Priorities which outlines critical support measures for the heavy vehicle industry in anticipation of the upcoming federal election.

The Australian heavy vehicle sector, one of the country's most vital industries, is at a critical crossroads, confronting both substantial challenges and opportunities as it transitions into a future marked by significant change.

Representing over 300 corporate organisations, HVIA members range from Australian manufacturers and importers of trucks and trailers to heavy vehicle dealerships, repairers, and suppliers of equipment, componentry and technology throughout the supply chain.

As the sector undergoes transformation, these organisations are navigating the challenges of maintaining competitiveness, adapting to new technologies, addressing changing skills needs, and managing industry-wide disruptions.

As highlighted in the following pages, the Australian heavy vehicle sector requires government assistance to address pressing issues such as the transition to cleaner, more sustainable vehicle fleets, the development of infrastructure for new technologies, support for workforce upskilling and measures to boost productivity.

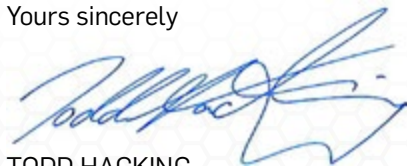
We recommend five key actions to strengthen the resilience and competitiveness of the heavy vehicle sector. These priorities include supporting Australian manufacturers of trucks and trailers, facilitating the transition to net zero emissions in heavy vehicles, growing the future heavy vehicle workforce, enhancing road freight productivity, and optimising Australia's road infrastructure.

These actions are essential to not only improve the safety of the fleet but also in securing a sustainable future for Australian heavy vehicle manufacturers and importers while driving innovation and achieving government objectives.

I would greatly appreciate the opportunity to discuss these proposals further at your earliest convenience. Please do not hesitate to contact me directly on t.hacking@hvia.asn.au or 0438 066 441 to arrange a meeting time.

Thank you for your consideration of our election priorities. I look forward to your positive response and continued collaboration in supporting the heavy vehicle industry's important role in Australia's economic and environmental landscape.

Yours sincerely



TODD HACKING
CHIEF EXECUTIVE OFFICER

Who is Heavy Vehicle Industry Australia?

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 dealerships, repairers, suppliers, and service providers that support the entire industry.

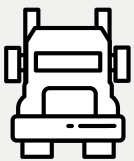
We represent almost every major truck manufacturer and importer, all of Australia's major trailer manufacturers, and an ever-growing list of their component, equipment and technology providers.

Our 300-plus members collectively employ a local workforce of over 70,000 people. Our members' interests cover an extensive range of vehicles, starting with 3.5-tonne light commercial trucks and extending to Australia's unique multi-combination road trains.

The heavy vehicle 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.

The efforts of our members are essential to keeping Australia's critical industries – such as mining, construction, hospitality, and retail – moving efficiently by ensuring the reliable transport of goods, materials and resources across the country.

Freight & Logistics Industry – Key statistics



One million
heavy vehicles



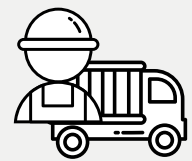
250 billion tonne kilometres (BTKM)
of freight delivered p.a.



8.6% of
Australia's Gross
Domestic Product



70,000
employees
(heavy vehicle
industry suppliers)



202,200
employees
(road transport
operators)

Our Recommendations

HVIA calls upon the next Australian Government to take decisive actions across several key areas to strengthen the heavy vehicle sector, promote sustainable growth and ensure the industry's competitiveness.

Our requests

1. Assist Australian manufacturers of trucks and trailers
2. Support the net zero transition of heavy vehicles
3. Grow the future heavy vehicle workforce
4. Allow higher productivity heavy vehicles
5. Optimise Australia's road infrastructure





Recommendation 1

Assist Australian Manufacturers of Trucks and Trailers

Australia has a proud history of manufacturing and importing world-class trucks and trailers, with a strong foundation built by mostly privately held family businesses across the heavy vehicle supply chain. These businesses have earned a reputation for quality, durability, and innovation, ensuring that the heavy vehicle supply chain is one of the country's last remaining local manufacturing sectors.

Targeted government support is essential to drive ongoing innovation and maintain global competitiveness. HVIA's members are continually advancing vehicle safety and efficiency, but flexible and responsive government assistance is needed to support these advancements.

What Government should do

- **Facilitate access to financing and investment** by ensuring that entities and programs, such as Future Made in Australia, National Reconstruction Fund, CEFC and ARENA focus on industries that drive wealth creation and strengthen sovereign manufacturing capacity, such as truck and trailer manufacturing
- **Guarantee affordable and reliable energy supply** by securing an adequate, low-cost energy supply to support manufacturing and ensure Australian businesses remain competitive in a global market
- **Encourage local sourcing and supply chains** through government policies that encourage the use of locally sourced materials and components to strengthen Australia's truck and trailer manufacturing base
- **Support workforce development by working with State and Territory Governments during the next National Skills Agreement** to reform payroll tax, by removing apprenticeship wages from its calculations. This will encourage business to invest in training and upskilling the next generation of workers, strengthening the industry's long-term sustainability.



Recommendation 2

Support the Net Zero Transition of Heavy Vehicles

The freight and logistics sector is working to transition to Low and Zero Emission Heavy Vehicles (LZEHVs) in line with government emissions targets, but challenges remain. High costs, insufficient charging infrastructure, and outdated regulations hinder adoption. To accelerate the shift, government support through incentives, infrastructure investment, and updated policies is crucial.

Without these measures, the shift to LZEHVs in Australia will be delayed, making it harder for the country to meet its emissions reduction targets and maintain its competitiveness in a rapidly evolving global market.

What Government should do

- **Publish a comprehensive, heavy vehicle-specific net zero roadmap** that outlines strategies and initiatives to:
 - **Remove regulatory barriers**, including nationally consistent front axle mass concessions, future road user charging mechanisms, licensing, and curfews
 - **Support the private sector to deploy battery electric charging and hydrogen refuelling stations** to create a nationwide infrastructure network
 - **In conjunction with industry, fund research and development of low carbon liquid fuel alternatives**, such as renewable diesel, including a feasibility study into potential future market opportunities
 - **Provide incentives for purchasing LZEHVs** to achieve Total Cost of Ownership (TCO) parity to make these vehicles more accessible to fleet operators
 - **Ensure energy infrastructure is scalable** by developing energy networks that can meet the future demands of LZEHVs and ensure that this energy comes from clean, sustainable sources
 - **Use and publish data to support evidence-based policies** that reward the adoption and use of higher productivity vehicles





Recommendation 3

Grow the Future Heavy Vehicle Workforce

HVIA's members are engaged across approximately 20 distinct apprenticeships, covering a range of traditional trades essential to the heavy vehicle industry, including welding, metal fabrication, spray painting, body building, and technical roles. These skilled trades provide the backbone of the industry, supporting the manufacture, repair, and maintenance of heavy vehicles.

The industry is grappling with a significant skills shortage, which is only widening over time. If this shortage is not addressed, it will ultimately hinder the industry's growth and competitiveness. We call upon the new Government to develop and implement corrective policy action.



What Government should do

- **Provide funding for Fee-Free TAFE placements** in all trades listed on the Core Skills Occupation List (CSOL)
- **Expand apprenticeship pathways** by introducing tailored apprenticeship programs specifically focused on emerging technologies within the LZEHV sector
- **Upskill the existing workforce and create a new pipeline of skilled workers** to reduce the risk of downtime for essential truck and trailer fleets
- **Incentivise Registered Training Organisations (RTOs)** to offer courses in trades listed on the CSOL or those identified as facing a skills shortage
- **Launch a public awareness campaign** to highlight traditional trades as a foundation for a lucrative and rewarding career
- **Reform the VET sector** to increase flexibility and develop alternative educational pathways that recognise and support hands-on, school-based learners

Recommendation 4

Enable Higher Productivity Heavy Vehicles

Road freight in Australia is projected to grow by 77% between 2020 and 2050, driven by rising demand across industries and the expanding population. However, despite this growth, the National Freight and Supply Chain Strategy highlights that productivity in the sector has stagnated since the 1990s, limiting the potential of the industry to keep pace with increasing demands.

The Strategy also identifies the significant economic potential of improving road freight productivity. Even a modest 1% improvement could result in up to \$20 billion in benefits. This presents a clear opportunity to enhance the sector's efficiency.

What Government should do

- **Remove barriers to increasing vehicle productivity and efficiency** by harmonising regulations across all states and territories
- **Expand the number of routes accessible to high-productivity vehicles**, including B-doubles, road trains, and PBS combinations
- **Boost the adoption of the Performance-Based Standards (PBS) combinations** by transitioning proven PBS designs out of the PBS system and into general regulations, without limiting productivity, nor access
- **Enact direct financial incentives** to drive the uptake of safer, more efficient, and less polluting vehicles
- **Improve data collection processes** to enable evidence-based decision-making that drives better policy outcomes relating to safety and productivity



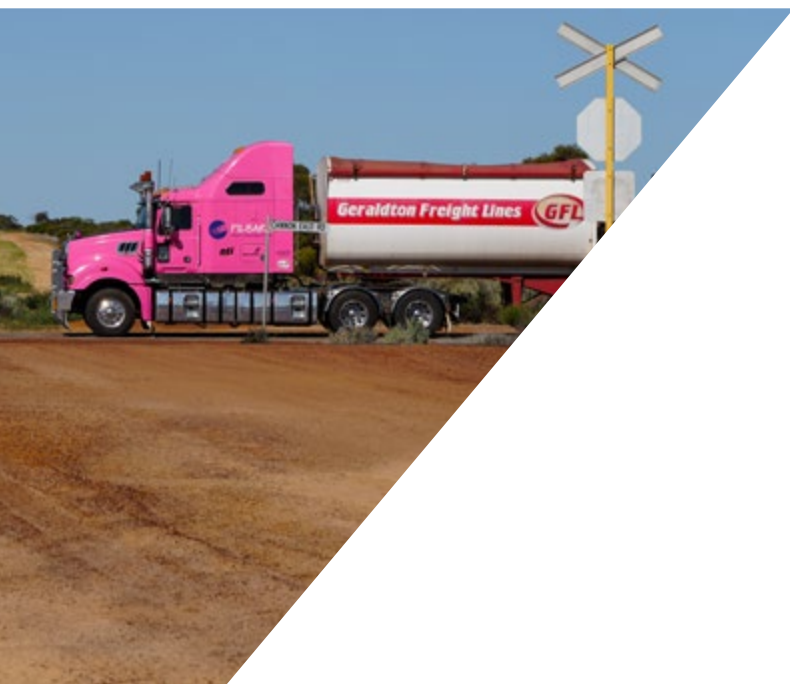


Recommendation 5

Optimise Australia's Road Infrastructure

Australia's roads and bridges are crucial for the efficiency and safety of the freight and logistics industry, impacting both productivity and safety. Poorly designed or maintained infrastructure can lead to delays, accidents and higher costs, while well-maintained assets support smoother, faster transport.

Unfortunately, infrastructure funding decisions are often driven by short-term considerations rather than long-term national needs. This prioritisation of immediate financial goals can result in outdated and inefficient infrastructure, negatively affecting productivity and economic growth.



What Government should do

- **Ensure roads and bridges are properly designed and funded** to meet the needs of the freight sector by accommodating the size, weight, and operational needs of heavy vehicles now and into the future
- **Adopt a risk-based approach to asset management** rather than focusing solely on the preservation of roads and bridges by prioritising funding and maintenance based on intensity of use, strategic importance of the asset and condition of the infrastructure
- **Protect future freight corridors from incompatible development** that may hinder their use including zoning regulations that may block key freight routes
- **Foster greater interoperability within the freight network** to improve efficiency by standardising regulations, vehicle requirements, and operational practices across states and territories
- **Address the future fuelling and recharging needs of the road freight industry** with a transparent, fully costed infrastructure plan that aligns with the Net Zero Roadmap and identifies the needs of the road freight industry, including electric charging and hydrogen refuelling stations



HVIA

**HEAVY VEHICLE
INDUSTRY AUSTRALIA**

HVIA looks forward to collaborating with the incoming government, opposition and crossbench members and senators to build a robust, dynamic and efficient heavy vehicle sector that supports a clean energy future while creating more jobs for Australians.

We are happy to provide further information on any of the recommendations outlined in this document.

**Please reach out to our CEO, Todd
Hacking, for further discussion.**

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