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A Modern Truck Fleet Is the Key to Unlocking Australia's Freight Productivity

By any measure, Australia's economy is powered by its roads. From farm gates to factory floors, the national road freight sector is the invisible engine behind supply chains, regional development, and urban commerce. Yet, while the nation debates energy policy, housing, and digital transformation, we've all but ignored a quieter crisis: the declining productivity of Australia's truck fleet. If we're serious about lifting national productivity, this is where we must start.

The Truck Industry Council's submission to the National Productivity Roundtable lays bare a disturbing truth: we are hauling the future, on vehicles built in the past. One in five trucks will be more than 27 years old by 2030. A third of the national fleet will be over 23 years old. These are not just numbers, they are a rolling liability for productivity, safety, and sustainability.

Why does this matter? Because old trucks break down more often, consume more fuel, and lack basic modern safety technologies. In contrast, ADR80/04 (Euro VI) compliant trucks, the global benchmark, are cleaner, safer, and smarter. They come equipped with predictive maintenance systems, autonomous emergency braking, electronic stability control, and digital diagnostics.

The data tells a compelling story. Trucks over 20 years old are up to five times more likely to be involved in a serious crash. Their downtime is 40–60% higher. Their maintenance costs can be nearly double those of modern trucks. These inefficiencies compound across a national network. Every hour lost to a breakdown, every crash that sidelines a driver, or blocks a road, every delivery that misses its window, these are direct hits to Australia's economic output.

And yet, the policy conversation remains fixated on pricing levers, tweaks to road user charges, minor reforms to infrastructure cost recovery. These are important but inadequate. We are trying to run a modern economy with an outdated freight fleet, hamstrung by structural and regulatory inertia.

There are four levers the government can pull, urgently and decisively.

First, we must modernise the national truck fleet. This won't happen on goodwill alone. The capital cost of fleet renewal is high, and many operators, especially small to medium-sized businesses, are already squeezed by thin margins and distorted freight contracts. The government should consider targeted retirement schemes, accelerated depreciation incentives, or direct grants for clean, high-productivity trucks. This is not about handouts. It's about removing economic drag from the supply chain.

Second, harmonise mass and dimension regulations across jurisdictions. Right now, a truck that is permitted in New South Wales may be illegal in Victoria, or Queensland. These inconsistencies are a productivity killer. Worse still, current regulations are biased toward protecting road assets rather than encouraging performance-based vehicle design. The outcome? Safer, cleaner, more efficient trucks are effectively penalised, not promoted.

Third, fix the market failures in freight contracting. Many operators are caught between powerful freight buyers and low-margin contracts that leave no room for reinvestment. If we want safer roads and cleaner trucks, we need pricing mechanisms that reflect the true cost of service and reward investment in productivity and safety. Time-based delivery charges, emissions-linked road pricing, and productivity-based access charges are all tools that could help rebalance the market.

Fourth, embed safety technologies as standard. Crashes are not just personal tragedies, they are productivity catastrophes. Lost hours, damaged goods, insurance claims, and operational disruption all ripple through the economy. Mandating proven safety systems, like AEB, lane departure warnings, fatigue monitoring, and ESC, would cut crash rates and maximise fleet utilisation.

This is not a wish list. It is a call to action grounded in data, economic logic, and national interest. The Truck Industry Council's 2025 National Truck Plan provides a clear roadmap. The question is whether governments have the will to follow it.

Australia stands at a crossroads. We can keep patching a system built for a bygone era, or we can invest in a freight future that is faster, safer, cleaner, and more productive. The productivity of our economy rides on the back of trucks. It's time to make sure all those trucks are fit for purpose.

The Albanese Government, in collaboration with states and industry, has an opportunity to lead a generational shift. The reward is not just lower freight costs. It is a more resilient economy, safer roads, and a cleaner environment. That's a future worth driving toward.

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