



## National Pilot – Frequently Asked Questions

### What is Heavy Vehicle Road Reform?

All Australian governments have agreed to progress ambitious work on Heavy Vehicle Road Reform throughout 2019. This reform is about creating stronger links between heavy vehicle road usage, road-related charges and services for heavy vehicle road users.

Heavy Vehicle Road Reform will provide a better level of understanding of industry needs to support better investment decisions. Greater funding certainty supports investment planning and more effective maintenance by governments.

### Why look into Australia's heavy vehicle charging system?

Australia's heavy vehicle industry transports the bulk of domestic freight across the country and plays a vital role in driving our nation's prosperity. Heavy vehicles, both freight and non-bulk freight, currently pay charges to help governments fund the maintenance, repair and upgrades to the road network needed to provide all heavy vehicles with safe access.

However, this charging system is complex and is not working effectively, which means that it is getting harder for governments to fund the road services heavy vehicle operators need.

A fairer, more transparent system of charging could drive productivity in the road freight sector and, by extension, the national economy. A fairer, more transparent system would better connect:

- heavy vehicle charges with the actual costs heavy vehicles impose on the road network, and
- road investments with the needs of the heavy vehicle industry.

Making the change to a better system of charging and investment will be complex and it will take time. The Australian Government is working together with the heavy vehicle industry and other levels of government to progress Heavy Vehicle Road Reform.

On-Road Trials are an important way to test how a new system of heavy vehicle road user charging would work in practice. The On-Road Trials will be delivered in a practical setting which means any reform addresses operational issues before any potential decisions are made to implement charge changes.

Putting theory to the test, including out on the road, will help ensure any reforms have real-world benefits for both the heavy vehicle industry and governments.

There are two confirmed stages to the National Pilot. The first, a Small Scale On-Road Trial started in mid-July 2019 and will run for six months, involve up to 11 heavy vehicle operators who currently use telematics and 111 vehicles. The telematics providers that these operators currently have a commercial relationship with are also participating.

The Large Scale On-Road Trial is proposed to commence in early 2020 and will run for 12 months. This trial will include hubodometer and paper based reporting as alternative data collection methods, along with the continuing trial of telematics. By including a mix of reporting options the Department of Infrastructure, Transport, Cities and Regional Development (the Department) hopes to encourage broader participation across all sectors of the heavy vehicle Industry.

## Is this a new tax?

No. The Department is looking at alternative ways to fund our roads via a mass-distance charge. The National Pilot will consider the case for reforms that could replace the current registration and road user charges from fuel excise with a mass-distance charge that more accurately reflects the cost of heavy vehicle usage on Australian roads.

## What data are you collecting? Why?

During the Small Scale On-Road Trial, each participant's telematics service provider will collect:

- vehicle trip distance
- whether the vehicle is travelling on private or public roads
- other data relevant to the charging trial.

This data will be used to generate a mock invoice. Data collected in the Small and Large Scale On-Road Trials will be used only for trial purposes and all data handling will be specified in the National Pilot Participant Agreement between participants and the Department.

## How can I get involved in the National Pilot?

The Small Scale On-Road Trial has commenced and will run for six months.

Participation in both the Small and Large Scale On-Road Trials is voluntary and no money will be collected for road charges as part of the National Pilot.

If you are interested in participating in the Large-Scale On-Road Trial of the National Pilot or in receiving the monthly e-newsletter please contact our National Pilot team between 9am - 5pm AEST on 1800 065 113 or email [National.Pilot@infrastructure.gov.au](mailto:National.Pilot@infrastructure.gov.au).

## On-road trials design and technical questions

### Will industry need to pay charges during the Small Scale On-Road Trial?

No. The Small Scale On-Road Trial will be delivered in a test environment only, participation is voluntary and no money will be collected for road charges as part of the National Pilot.

The On-Road Trials will be delivered in an on-road setting which means operational issues can be identified and addressed before any potential decisions are made to implement charge changes. Decisions to change existing heavy vehicle charging may be part of a potential future stage of Heavy Vehicle Road Reform and will take on board the real-life experience of industry following a full evaluation of the trials.

## What will happen to fuel excise?

No changes are made to the fuel excise in the Small or Large Scale On-Road Trials. The National Pilot will be delivered in a test environment only, no money will be collected for road charges as part of the National Pilot and there will be no changes to existing fuel excise and registration charges paid by heavy vehicles under current arrangements.

## What will happen to Fuel Tax Credit rebate from the ATO during the National Pilot?

No changes will be made to the Fuel Tax Credit rebate during the National Pilot.

## Why is the Government progressing the National Pilot when the focus of broader Heavy Vehicle Road Reform at this time is about improving infrastructure investment?

The Government will continue to prioritise reforms to improve infrastructure investment whilst testing the technical aspects of an alternate charging system.

However, no decisions have been made to change existing heavy vehicle charges. Any such decisions may be part of a future phase of reform and evaluation of the National Pilot will inform any such decisions.