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**Government invites heavy vehicle industry to participate in road reform trials**

The Turnbull Government is working with states and territories to investigate reforms to the way that heavy vehicles (4.5 tonnes and above, comprising about 3 per cent of all vehicles) are charged to use roads.

Today, heavy vehicles pay a user charge, through registration fees and a per litre fuel-based excise, but the system is complex and does not work particularly effectively. Nor does it meet the needs of heavy vehicle operators as well as it could.

The Government has today announced that it intends to invite the heavy vehicle industry to participate in a National Heavy Vehicle Charging Pilot. This will see selected participants being involved in a pilot program to test the replacement of registration fees and the fuel-based Road User Charge, with a national direct user charge for the vehicles participating in the pilot.

The pilot will run initially through to 2020 and will allow heavy vehicle operators to test, influence and shape a fairer system. It is a real opportunity for industry to shape the reform.

The first two stages of the pilot will be research-based, focussing on working with the heavy vehicle industry to develop the options to pilot. It will not involve participants paying additional or alternative charges as part of the trial.

The Turnbull Government will also be establishing a business case program for location-based trials of distance charging for heavy vehicles.

Under this program, which will commence in 2018-19, the Turnbull Government would fund business cases for trials in specific geographical regions – where there may be an appetite by the heavy vehicle industry to agree to additional per kilometre charges, over and above what they are paying through the fuel excise system, where those charges are linked to specific benefits to the heavy vehicle industry.

Reform of heavy vehicle user charging has the potential to deliver substantial net benefits for the Australian economy, estimated to be between \$8 billion and \$22 billion over 20 years. For more information visit <https://infrastructure.gov.au/roads/heavy/charging-trials/index.aspx>

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