

12 December 2025

National Transport Commission

Level 3/600 Bourke Street

Melbourne VIC 3000

via email: [enquiries@ntc.gov.au](mailto:enquiries@ntc.gov.au)

Dear Commission,

### **Heavy Vehicle Charges Consultation report 2026-27**

The Australian Small Business and Family Enterprise Ombudsman (ASBFEO) welcomes the opportunity to comment on the National Transport Commission's proposal to increase heavy vehicle charges for 2026–27.

The ASBFEO supports sustainable funding for Australia's roads and the goal of modernising road-user charging. However, many small businesses operating heavy vehicles continue to face increasing operational costs with limited options to pass these increases onto their customers. While we recognise that the preferred increase of 6 per cent is substantially less than the 19 per cent increase the National Transport Commission estimates would ensure governments can continue to maintain roads for heavy vehicles, we consider that an annual increase linked to the CPI would be more sustainable for the many small businesses who operate heavy vehicles.

The ASBFEO therefore recommends that any future heavy-vehicle charge increases be capped at the annual CPI rate until comprehensive road-user charging reform is implemented. This approach would maintain growth in road funding while having less of an impact on small business viability, supply-chain affordability, productivity and resilience.

The ASBFEO has the following concerns with the proposed increase to heavy vehicle charges:

1. Small and family-owned heavy vehicle operators form the backbone of the road transport sector, with more than 90 per cent of road freight businesses classified as a small business.<sup>1</sup> These operators work on tight margins, with limited capacity to pass on rising costs such as high fuel prices, insurance premiums and maintenance expenses. A substantial charges increase could threaten business viability, competition in regional freight markets and service availability across the supply chain.
2. The impact of rising freight charges extends well beyond transport businesses. Rising road freight costs flow through to essential sectors that rely on road transport services including the agricultural, construction, groceries and retail, and manufacturing sectors.
3. The ASBFEO has heard from small business stakeholders who remain concerned that the current charging methodology lacks fairness and transparency. Charges are based on historical averages rather than actual road use or real forward-looking data, and there is no clear link between heavy vehicle charges and actual costs of road maintenance or upgrades.

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<sup>1</sup> National Road Transport Association (NatRoad), [Road to 2028: Road freight reform priorities for the 48th Australian Parliament](#), NatRoad, 2025.



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Ombudsman

The ASBFEO acknowledges the National Transport Commission's commitment to commence consultation in early 2026 on a Forward-Looking Cost Base (FLCB) model. This reform represents a critical opportunity to deliver a fairer, more transparent and usage-based charging system aligned with national freight objectives for productivity, improved data use and strategic infrastructure investment, as identified in the Review of the National Freight and Supply Chain Strategy.<sup>2</sup>

If you require any further information, please do not hesitate to contact the Advocacy team via email at [advocacy@asbfeo.gov.au](mailto:advocacy@asbfeo.gov.au).

Yours sincerely

<Signature removed>

**The Hon Bruce Billson**

Australian Small Business and Family Enterprise Ombudsman

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<sup>2</sup> National Freight Supply Chain Strategy, [National Freight Supply Chain Strategy 2025](#), National Freight Supply Chain Strategy, Australian Government, 2025.