



An in-depth look at the Australian market

For the last edition of 2015, I would like to use the latest registration data ARTSA has compiled in collaboration with

the National Exchange of Vehicle and Driver Information System (NEVDIS) to explain what is happening in the Australian heavy trailer market. The

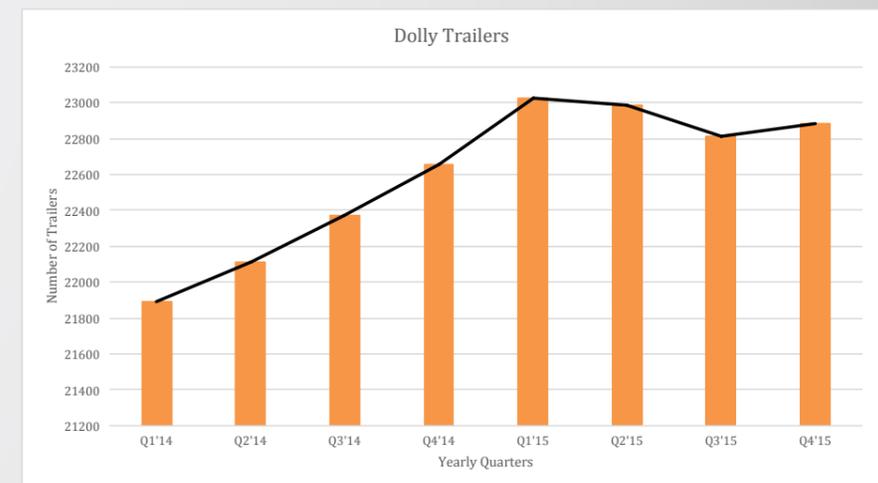
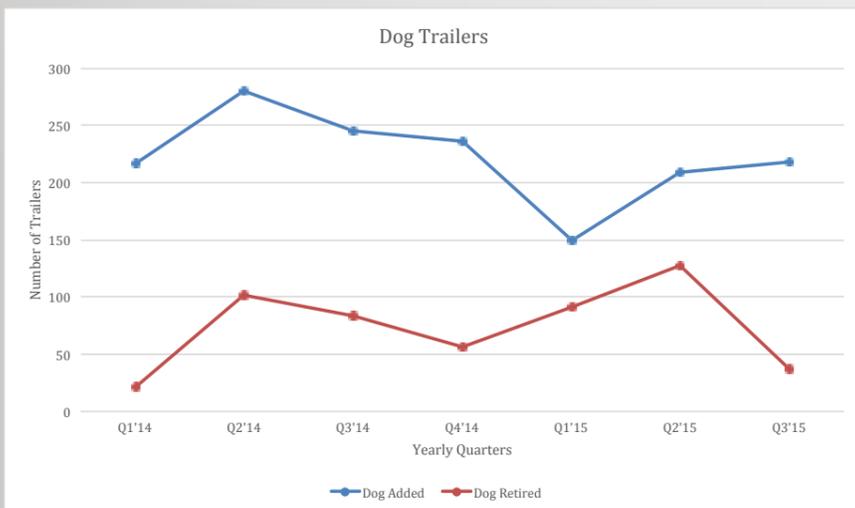
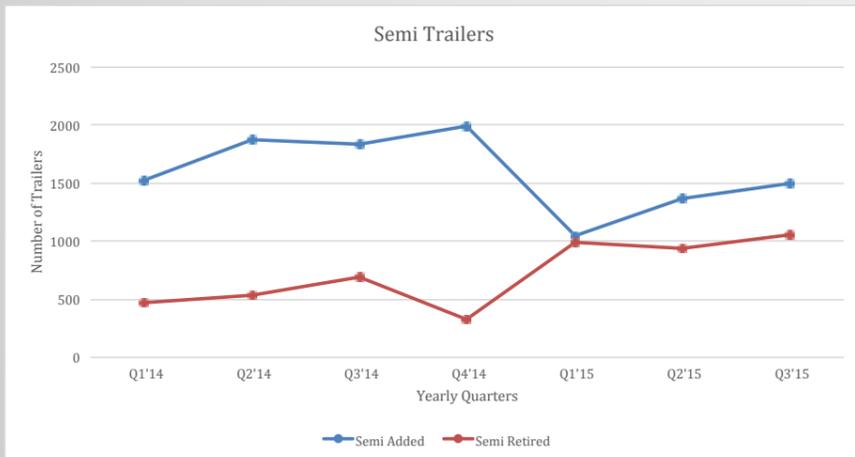
following information is applicable to trailers with an ATM above 12 tonnes that are currently registered, except for retirements where noted. After having spent almost two years compiling data on the Australian heavy vehicle fleet, ARTSA is now in a position to show exactly how it changed over the past four quarters, including all additions and retirements compared to the previous year – and the findings are quite substantial. For example, the number of semi-trailer registrations has gone down significantly and is currently about 25 per cent below last year's reading. The number of retirements, meanwhile, is significantly higher this year, having risen around 80 per cent.

A detailed look at our research reveals that the number of dog-trailer registrations this year has also gone down about 15 per cent. In line with the overall trend, the number of do-trailer retirements has gone up as well (about 20 per cent). The number of lead trailers is about the same as last year, as is the number of retirements in this category, meaning the downward trends evident in the market are not affecting this segment. ARTSA's unique data set is also able to provide information on the total number of registered heavy trailers (ATM > 12t) in Australia. It shows that the annual growth rate for semi-trailers over the past eight quarters was two per cent, with dog trailers coming in at 2.8 per cent.

In comparison, pig trailers saw negative growth over the last eight quarters, with an annual growth rate of -1.5 per cent. In line with the dog-trailer market, the annual growth rate for lead trailers over the last eight quarters is 2.8 per cent. Dolly trailers have grown 2.2 per cent annually during the same period, with all the growth occurring in 2014. The ARTSA data set can also provide information on the age of the Australian trailer fleet (see breakout box). In our research, we focus on the median age, where there are equal numbers of newer and older trailers. It shows that lead trailers – which are used in B-doubles – are the workhorses of the long-haul industry and substantially younger than semi-trailers.

With a look at the country of manufacture, about 95 per cent of all trailer VINs ARTSA has examined start with '6' – implying that they are Australian-made. For recent additions, that proportion has fallen to about 90 per cent; meaning trailers are still overwhelmingly made locally in Australia.

Over the last four quarters, from Q3 2014 to Q3 2015, there have been 9,621 trailers (all types with ATM > 12t) added to the registered trailer fleet. If, on average, a new trailer has a retail value of \$150,000, then the value of the



added trailers over that period would be a staggering \$1.44 billion. This does not include stock trailers, which do not get registered. If 90 per cent of the

new trailers were made in Australia, then there is an Australian trailer manufacturing industry that is producing more than \$1.3 billion per annum – a sizable result for a market that is still suffering under the impact of declining mining investment.

Peter Hart
Chairman
Australian Road Transport Suppliers' Association (ARTSA)

MEDIAN AGE	
Trailer Type	Median Age
Semi trailer	11.65 years
Dog trailer	11.19 years
Pig trailers	13.99 years
Dolly trailers	8.85 years
Lead trailers	8.26 years