

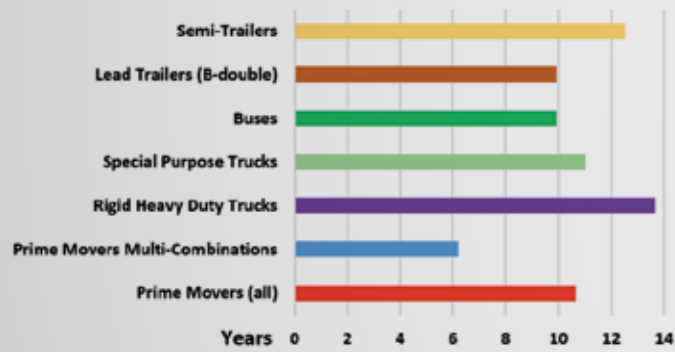


The State of the heavy vehicle supply industry in graphs

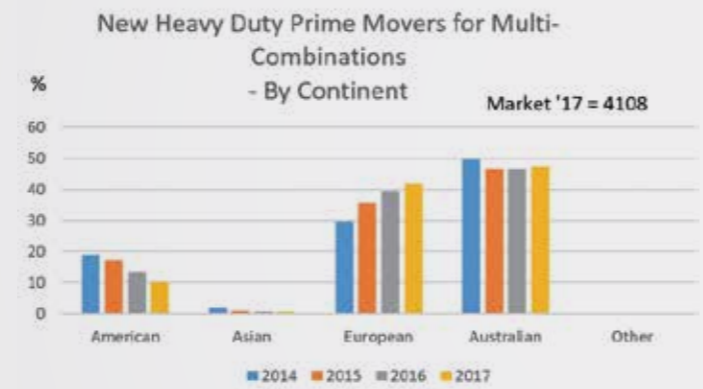
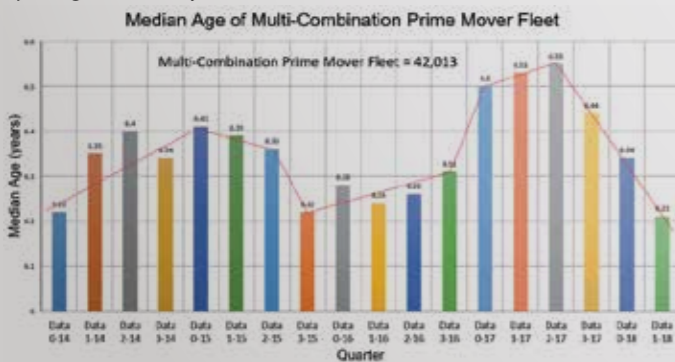
This graph tracks the Median Age of the multi-combination prime mover fleet over the past four years. The Median Age of multi-combination prime movers is now about six years. It has been going down since the second quarter of 2017. The market is buoyant. The downward trend does not occur for prime movers registered for single trailers because this segment gets legacy vehicles from the multi-combination prime-mover segment.

Our heavy truck and trailer supply industry here illustrated by graphs and pictures. The source of most of the data is the ARTSA - NEVDIS Data project.

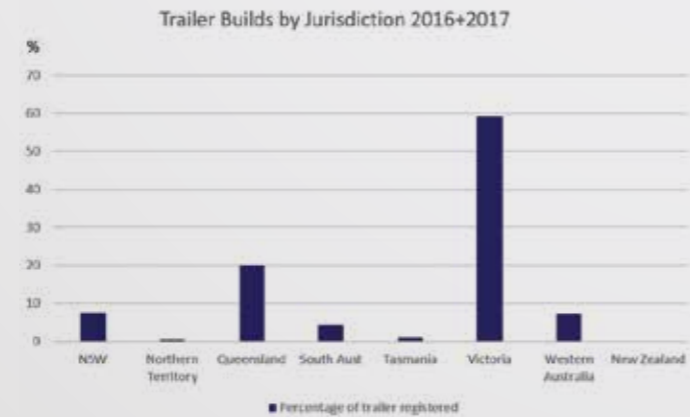
Median Age of Heavy Duty Vehicle Types (≥ 12t)



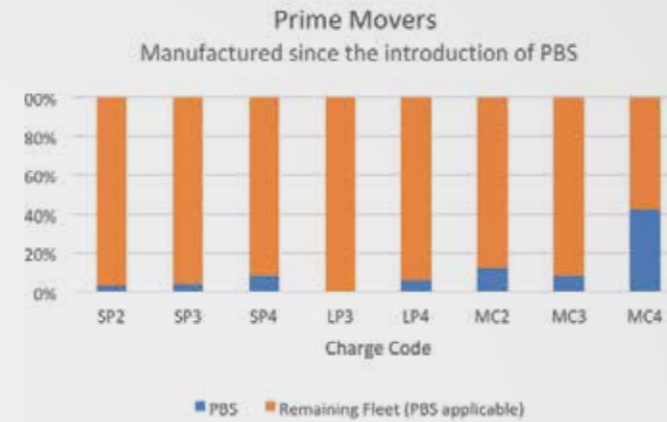
This graph shows the median age of heavy vehicle by segment. The rigid truck segment has the highest Median Age. (Median Age is the age at which there are as many older and younger vehicles).



The European manufacturers are gaining ground and the North American manufacturers are losing ground. One factor in this is perceived safety technology capability.

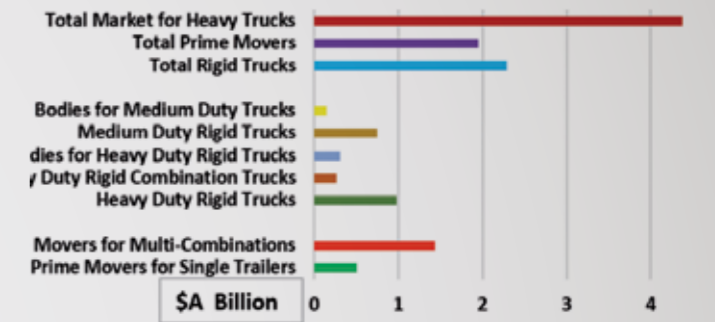
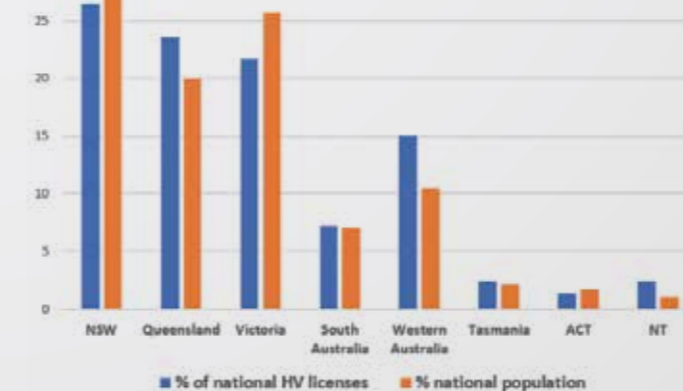


60 per cent of heavy trailers are manufactured in Victoria.

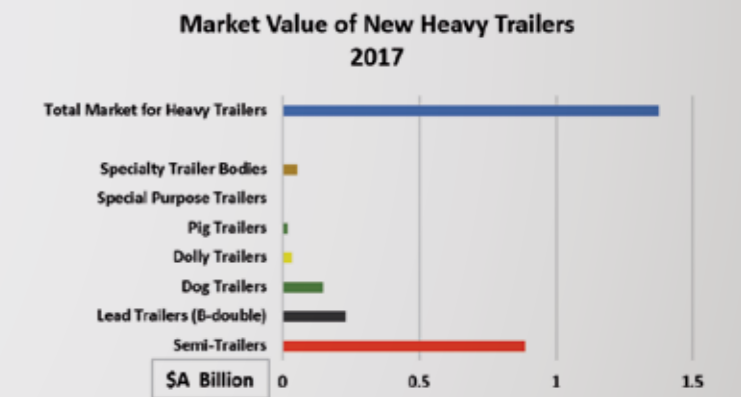


The blue bars show the proportion of PBS approved vehicles in the prime mover categories (MC = Multi-combination and SP = Single trailers). About seven per cent of three-axle multicombinations are now listed on a PBS approval. For four-axle multi-combinations the proportion is 40 per cent! Conclusion: PBS is a significant program. Road access approvals remains a stress point.

Between 1988 and 2018 Victoria has gone from not accepting B-doubles to allowing A-doubles to run on main freight routes including the Monash and Westgate Freeways. These combination vehicles must be PBS accredited. Therefore, PBS is providing government confidence in the safety of novel combinations.



Conclusion: The more dirt roads the more heavy-vehicle drivers per head of population!



The total value of the supply market for heavy vehicle trucks (including bodies) is about \$4.3 billion. Multi-combination prime-movers have the highest segment value. The total market value for new trailers is about \$1.4 billion. Semi-trailers have the highest segment value.

The estimated value-add in Australia for the new heavy vehicle segment is \$3 billion.

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