



30 September 2026

Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600

Via: rrat.sen@aph.gov.au

RE: Inquiry into the Major and Local Community Infrastructure Program

Dear Committee Secretary

The Livestock, Bulk and Rural Carriers Association (LBRCA) represents rural carriers performing some of Australia's most essential and challenging freight tasks, including the movement of livestock, grain, agricultural inputs, bulk commodities and other freight throughout rural and regional Australia.

Our members operate at the first and last mile of regional supply chains and, in many cases, across the entire freight journey. They depend on safe, reliable and productive road networks, heavy vehicle infrastructure such as rest areas, decoupling bays and stock washes. They interact extensively with railheads, ports, saleyards, processors, farms, feedlots, grain facilities and intermodal terminals.

Operating throughout regional and rural Australia means rural carriers rely heavily on infrastructure that is often owned or managed by local governments and regional organisations. This includes saleyards and livestock loading facilities, truck wash and effluent disposal facilities, heavy vehicle rest areas and amenities, local roads and transport interfaces, freight precincts and other infrastructure that supports safe and productive supply chains. LBRCA's interest in this inquiry is therefore principally about how governments identify infrastructure need, how projects gain access to Commonwealth funding, and whether regional communities have a transparent and equitable opportunity to secure investment in nationally significant but locally delivered infrastructure.

Yours sincerely,

Wade Lewis
President
Livestock, Bulk and Rural Carriers Association Inc.



Submission by the Livestock, Bulk and Rural Carriers
Association

*Inquiry into the Major and Local Community
Infrastructure Program*



Commonwealth Infrastructure Delivery

Our submission addresses the design of the Major and Local Community Infrastructure Program (MLCIP) and the lessons that should inform future Commonwealth infrastructure funding. LBRCA is predominantly focused on remote, rural and regional Australia and the implications for rural carriers, roads and transport infrastructure.

The MLCIP was established to deliver community infrastructure commitments associated with the 2025–26 Budget, the Pre-Election Economic and Fiscal Outlook and the 2025 federal election. It is a closed, non-competitive program. Only projects identified by the Australian Government were eligible for invitation to apply and up to \$568.2 million in total program funding was to be made available.

Once invited, applicants were to be assessed against published criteria concerning social and economic benefits, project viability and sustainability, and organisational capacity. Each assessment criterion must receive at least 60 per cent for the proposal to be considered valuable for the relevant money. The Minister for Infrastructure, Transport, Regional Development and Local Government is the decision-maker after considering departmental recommendations.

LBRCA's principal concern is the stage before that formal assessment occurs. Under the program design, an organisation cannot simply identify a worthwhile infrastructure need and apply. Both the prospective project and the applicant must first have been identified by government or the local representative.¹ The program design therefore precludes projects that may otherwise satisfy the intent of the second assessment process.

The LBRCA does not refute the important role of democratically elected governments to make investment decisions or to deliver on election commitments, but our view is they must be transparent and consider other need. A rigorous assessment of an invited project does not, by itself, demonstrate that the project was the highest priority use of public money, because projects that were never invited are never assessed.

The relevance in regional and rural Australia is heightened as it is often the case that important infrastructure needs are ignored, due to the geographic nature of these communities. Regional communities face the gradual erosion of infrastructure, lesser awareness due to larger geography compared to urban or metropolitan communities, cross electoral boundaries, multiple supply chains and lack the visibility associated with individual community facilities².

¹[Guidelines for the Major and Local Community Infrastructure Program](#), Australian Government, Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts.

²[The Future of Infrastructure Development in Regional Australia](#)



The LBRCA maintains that public infrastructure commitments funded by Commonwealth grants, the delivery agency or department should have systems in place to make transparent:

- how the projects were identified
- why a closed process was considered appropriate
- what need, problem or policy outcomes each project was intended to address
- how funding was distributed geographically and consideration of nearby need
- whether the overall funding portfolio represents value with relevant money

The Commonwealth Grants Rules and Principles 2024³ expressly recognise merit-based processes, equitable access, probity and transparency as important elements of grants administration. Finance guidance states that competitive merit-based processes should generally be used unless another approach is specifically agreed, with the rationale for an alternative method documented in the grant guidelines. The MLCIP inquiry provides an opportunity to establish clearer standards for delivering future election commitments through grant programs.

Recommendations

LBRCA proposes that the Committee consider recommending that:

1. Commonwealth infrastructure grant programs and guidelines distinguish clearly between election commitment and open administrative assessment.
2. Where a closed or non-competitive process is used, the government publish the rationale for that approach and the criteria used to determine which projects were invited, not merely the criteria subsequently applied to invited applications.
3. Future programs include a portfolio-level value-for-money assessment, considering comparative infrastructure need, geographic distribution, regional disadvantage, alternative projects and broader Commonwealth policy objectives.
4. The Commonwealth establish a standing regional infrastructure pipeline through which local governments, industry organisations and regional bodies can identify infrastructure priorities even where no funding round is currently open.
5. Restore the Local Roads and Community Infrastructure (LRCI) Program to enable a funding pathway for important projects that are ineligible for funding dedicated to election commitments.
6. The development of future regional infrastructure programs provide a transparent pathway for freight-enabling and agricultural community infrastructure, including publicly accessible truck washes, biosecurity and effluent facilities, livestock loading infrastructure, heavy vehicle rest facilities and strategic freight interfaces.

³ [Changes to the Commonwealth Grants Framework 2024](#), New Principles, Department of Finance, Australian Government.



Program design: addressing the principal integrity issue

The guidelines for the MLCIP, state that:

- the program is non-competitive
- only projects identified by the Australian Government are invited
- an organisation that has not been identified and invited is not eligible
- the department assesses those invited applications before making recommendations to the Minister.

Eligible projects must primarily involve the construction, upgrade or extension of infrastructure providing social and economic community benefits. Applicants are assessed against criteria including regional economic benefits, project sustainability and delivery capability.

LBRCA supports those requirements but is concerned with how projects are hand-picked at the expense of other projects that may be of greater local benefit. In addition we are concerned that worthy projects that were designed with the intent of seeking funding through the MLCIP and similar programs, were rejected on the basis of lack of political ownership. As a matter of program design, this means there are effectively two selection processes, with the first process preventing projects of local significance being advanced:

1. The first is the selection of projects to be invited, basically a political process.
2. The second is the formal assessment of those projects after invitation.

The published assessment criteria provide considerable detail about the second process but substantially less visibility about the first. The LBRCA's view is this is the central issue to equity and fairness, as well as regional disadvantage and needs to be further explored by the committee.

We are concerned that the administration of the program repeats the mistakes outlined by the Auditor General, in the Auditor-General Report No. 23 of 2019–20, Award of Funding under the Community Sport Infrastructure Program⁴.

The assessment framework cannot correct for projects that were never considered. An invited project might demonstrate community benefit, financial viability and delivery capacity and legitimately pass the published 60 per cent threshold. However, it fails to establish whether:

- another community or placeⁱ had a more significant infrastructure deficit
- another project would have delivered larger economic and social benefits
- a regional infrastructure project had greater productivity or safety benefits

⁴ [Auditor-General Report No. 23](#) of 2019–20, Award of Funding under the Community Sport Infrastructure Program



- another local government lacked the political or institutional connections required to bring a proposal forward
- the overall package achieved an equitable geographic distribution.

That is not a criticism of the hand-picked projects, but it should be acknowledged as a limitation inherent in closed, non-competitive selection. Particularly, whereby communities are represented by a non-government member of parliament or are placed within a sector of society that is not inherently linked to the immediate priority of the government of the day.

The Commonwealth Grants Rules and Principles state that methods should promote open, transparent, and equitable access, and that competitive, merit-based processes generally provide stronger assurance of outcomes and value. Where another method is selected, its rationale should be documented.

Regional and rural communities require a genuine pathway into infrastructure funding

LBRC A is concerned about the implications of closed grant programs for smaller regional and rural communities, and critical economic infrastructure in transport, freight and logistics. The regionally focused programs continue to be absorbed into whole-of-government spending, with remote, rural and regional projects competing with metropolitan and urban projects. An example of this is the former Australian Government grant program, the Building Better Regions Fund (BBRF), Bridges Renewal Program and Heavy Vehicle Safety and Productivity Program. Many rural infrastructure priorities are not easily packaged as high-profile or publicly appealing individual community projects.

Examples include:

- regional truck wash and wash-down facilities
- livestock effluent capture and disposal infrastructure
- saleyard and livestock loading infrastructure
- heavy vehicle rest facilities and amenities
- safe staging areas heavy vehicles moving high value commodities
- infrastructure supporting biosecurity
- local freight/road interfaces
- heavy vehicle access improvements (roads, bridges, culvert, regional routes) that are not heavily utilised by non-heavy vehicles
- supporting infrastructure at agricultural and freight precincts.

These facilities can deliver benefits across multiple sectors.



A truck wash, for example, may support transport operators, producers, saleyards, processors, animal welfare outcomes, biosecurity management and local environmental outcomes. Yet responsibility can be fragmented across local government, state government, the Commonwealth and private industry. There are limited funding opportunities, despite washes being a critical enabler of both livestock farming and livestock transport, the food supply chain, export and trade, and the maintenance of road safety and biosecurity. In New South Wales, the targeted *Fixing Country Truck Washes Program*, has been absorbed into the *Fixing Country Roads Program*. This creates a disproportionate assessment exercise, whereby investing in a truck wash must exceed the benefits of investment in a bridge or road, elsewhere and potentially in a higher populated regional centre.

This is precisely the type of infrastructure for which a transparent Commonwealth funding pathway is valuable. LBRCA submits that regional economic infrastructure should be considered on its actual public benefit rather than its political visibility.

The MLCIP itself states that its objectives include improving the social and economic viability of communities and driving economic growth in communities and broader regions. Those objectives are broad enough that future infrastructure programs should explicitly recognise infrastructure supporting the productive economy of regional communities.

Geographic distribution

The terms of reference does seek to the Committee's consideration of the geographic and electoral distribution of grants. LBRCA considers electoral boundaries are a poor primary basis for assessing infrastructure need or delivery, but acknowledges the intern of that measurement for the purposes of this inquiry. Regional infrastructure frequently serves populations and industries extending across multiple electorates and suggests a better analysis and future grant assessment process would examine funding according to:

- **Remoteness:** Construction costs, service availability and distance increase with remoteness
- **Population:** Allows per-capita comparisons
- **Socioeconomic indicators:** Assists identification of communities with fewer resources
- **Local-government financial capacity:** Smaller councils can face greater difficulty co-funding infrastructure
- **Infrastructure condition and service gaps:** Measures actual need
- **Economic output and freight task:** Captures infrastructure supporting productive regional industries
- **Project type:** Identifies whether some classes of infrastructure dominate funding
- **State and region:** Identifies geographic concentration
- **Resilience:** confirms if the investment improves a community or asset's ability resist, absorb, recover from, and adapt to disruptive hazards and stresses



A standing regional infrastructure pipeline

A structural reform LBRCA believes could reduce reliance on closed project-selection processes and reduce the demand on other programs not designed to invest in regional Australia is the establishment of a targeted regional program: Regional Investment for Stronger Economies (RISE). The RISE program would see the development of a targeted regional investment strategy, backed by funding and support a pipeline of projects.

RISE investment would focus on but not be limited the following categories:

- **Agricultural and livestock infrastructure:** saleyards, truck washes, livestock loading ramps, stock freight routes, biosecurity washdown facilities, grain receival sites including access, silos, regional abattoirs and commodity handling facilities.
- **Freight and logistics infrastructure:** regional intermodal terminals, truck wash areas, heavy vehicle rest areas, freight depots, decoupling areas, bridge upgrades, first/last-mile freight links, access roads to farms and processing facilities.
- **Water infrastructure:** town water security, irrigation channels, stock and domestic water systems, weirs, bores, dams, water recycling and drought resilience projects.
- **Energy infrastructure:** rural transmission and distribution upgrades, microgrids, community batteries, backup generation, fuel storage and regional energy hubs.
- **Digital connectivity:** mobile blackspot towers, fixed wireless and communications redundancy.
- **Primary production enabling infrastructure:** irrigation districts, agricultural drainage, quarantine and biosecurity infrastructure.
- **Regional aviation infrastructure:** local airports, aerodromes, RFDS facilities, firefighting bases and freight-capable runways.
- **Community service infrastructure:** multipurpose health facilities, aged care facilities, childcare centres, schools, TAFE facilities and showgrounds.
- **Resilience infrastructure:** flood levees, bushfire access routes, evacuation centres, emergency water supplies, communications backup and disaster recovery infrastructure.
- **Regional economic infrastructure:** industrial estates, enabling infrastructure for food processing and manufacturing, tourism infrastructure, worker accommodation and serviced land.

It would allow enable participation by local governments, regional development organisations, recognised industry associations, show societies, community organisations and cooperatives, and for strategic investment state and territory agencies. There is the opportunity for many of these categories to include co-funding, where appropriate.

A dedicated pathway for rural freight and biosecurity infrastructure

The inquiry also provides an opportunity to address a recurring problem identified by LBRCA members: small but strategically important rural freight infrastructure frequently does not fit neatly within existing program boundaries. In addition, regional councils often struggle with the fiscal imbalance of the federated system.



This is a barrier to not only maintenance of existing critical infrastructure, but also means any new idea is stifled from the out. As the Australian Local Government Association found:

Australian councils face up to \$280 billion in infrastructure renewal and upgrade demand over coming decades, including a \$65 billion to \$68 billion replacement task for assets already assessed as being in poor to very poor condition, a major new national report has found⁵.

LBRCA recommends that any Commonwealth regional infrastructure fund, enshrine arrangements that quarantines or provides a pathway for dedicated public-purpose rural freight infrastructure. Projects could include:

- strategic local-road upgrades required to access first and last mile sites
- freight road upgrades
- public truck and livestock wash facilities
- modern effluent treatment and disposal systems
- compliant livestock loading facilities/saleyard transport interfaces
- heavy vehicle rest areas and amenities
- freight staging areas
- regional biosecurity infrastructure

Projects would remain subject to proper value-for-money and deliverability assessment.

The objective would not be to subsidise normal private commercial operations, but to break the barriers to existing upgrades being delivered that are harming productivity and economic activity, as well as safety in many instances.

The focus should instead be infrastructure with a demonstrable shared community, safety, productivity or biosecurity benefit. This would directly advance the broader regional economic objective already reflected in the MLCIP.

Conclusion

The central lesson from the Major and Local Community Infrastructure Program is broader than any individual project or grant recipient. A government can legitimately seek to deliver its election commitments, departments can legitimately assess those commitments against grant guidelines and make the guidelines fit for the intended purpose, and Ministers can legitimately make funding decisions within the applicable legal framework.

However, where the program is closed and non-competitive, the integrity of the system depends heavily on transparency around the step that occurs before formal assessment: the

⁵ Media Release: [National report highlights growing local infrastructure renewal challenge](#), 24 June 2026



decision about who is permitted to apply. For project proponents in the regions this matters because infrastructure needs is not always politically visible.

Truck washes, livestock loading facilities, rest areas, saleyards, showgrounds, water supplies, biosecurity infrastructure and other rural freight assets rarely attract the profile of major sporting or community facilities. They nevertheless support regional economies, community safety, agricultural productivity and national supply chains.

Government may determine its policy priorities, retain strategic investment capability, but access to public infrastructure funding should be transparent, defensible and capable of being explained by evidence of public benefit. A stronger system would retain democratic accountability for government priorities while increasing transparency, improving value with public money and giving rural and regional communities a clearer pathway to have genuine infrastructure needs considered.

Livestock, Bulk and Rural Carriers Association
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ⁱ [2022 Regional Strengths and Infrastructure Gaps](#)