

MEDIA RELEASE

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CUT TRUCK TAXES AND CHARGES, PEAK INDUSTRY BODY SAYS

Australia's governments should respect the umpire's decision and agree to cut the fuel tax and registration charges paid by trucking operators, the Chair of the Australian Trucking Association, Noelene Watson, said today.

The National Transport Commission (NTC) concluded in November last year that the current charging system would overtax trucks and buses by \$232 million in 2014-15.

Mrs Watson said the industry had been overcharged since 2007, because the charging system underestimated the number of trucks on the road.

"There were 496,000 heavy vehicles registered in Australia in June 2013. That figure comes straight from the state and territory registration systems. But the current system for calculating our charges assumes there are only 420,000 heavy vehicles. As a result, every vehicle – and every operator – ends up paying too much in fuel tax and registration charges," she said.

"The NTC put forward a series of options for fixing the charging system. Under what it called option A, operators would be able to claim an extra 1.04 cents per litre in fuel tax credits through their business activity statements. This would effectively be a reduction in their fuel tax. Some truck registration charges would fall.

"Governments need to accept the umpire's decision. The NTC has confirmed that trucking operators are overcharged: they need to agree to cut registration charges and increase our fuel tax credits by 1.04 cents per litre from 1 July 2014," she said.

Mrs Watson dismissed the argument that the reduction in truck charges should be phased in over three years.

"The trucking industry has paid too much tax for the last seven years. It's a bit rich for people to argue that we should pay too much tax for another three years as well."

Mrs Watson said governments should disband the Heavy Vehicle Charges and Investment (HVCI) Reform process.

"HVCI is looking at mass-distance-location pricing, which would see trucks fitted with regulatory GPS devices. Trucking operators would receive elaborate invoices based on where their trucks went, how far they travelled and an assessment of their mass," she said.

"HVCI's proposal is utterly inconsistent with the Australian Government's commitment to reducing red tape and the regulatory burden on small businesses."

Mrs Watson warned that truck mass-distance-location pricing would, if introduced, be used to justify direct road pricing for cars, including congestion charges in major cities.

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“The Deloitte report on road pricing and transport infrastructure funding, released this week, argued that heavy vehicle charging would be a trial run for imposing direct pricing and time of day charges on car drivers and tradies’ utes,” she said.

“Instead of working up complex new charging systems, governments should set road charges at a fair level and concentrate on improving how road agencies plan and build roads.

“As the first step, governments need to accept the NTC’s advice, recognise that the trucking industry is overcharged, and agree to NTC option A with an increase in fuel tax credits of 1.04 cents per litre from 1 July 2014,” Mrs Watson said.

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