

MEDIA RELEASE



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ABOLISH TRUCK REGISTRATION LABELS

Truck registration labels should be abolished. Businesses should be allowed to pay their registration charges monthly, the Chief Executive of the Australian Trucking Association, Christopher Melham, said today.

Mr Melham was releasing the ATA submission to the National Transport Commission's review of the PAYGO system for setting truck and bus charges.

He said the Western Australian Government had removed the requirement for trucks to have registration labels from 1 July 2016, with the government saying the decision would save thousands of hours of industry time and some \$200,000 a year in government costs.

"The Western Australian approach to removing labels should be extended nationally, and operators should be able to make monthly payments to reduce the cashflow burden of the high charges," he said.

Mr Melham said that governments should accept the NTC's conclusion that the existing system will overtax truck and bus operators by more than half a billion dollars in 2016-17 and 2017-18, and immediately cut charges.

"The heavy vehicle charging system must be a cost-recovery mechanism, not a general taxation regime," he said.

"If governments do not accept this recommendation, the only acceptable alternative in the ATA's view would be to investigate a technical change to the way the PAYGO cost base is calculated, so it would include one year of forecast and one year of estimated expenditure.

"Modelling commissioned by the ATA shows that this approach should address the revenue concerns of governments while still providing fair results for the industry."

Mr Melham said the PAYGO model had not succeeded in delivering predictable and stable registration charges.

"Trucking businesses need heavy vehicle charges to remain stable from year to year, or at least to change at a relatively stable rate," he said.

"Our submission recommends that governments should empower the National Transport Commission to determine a smoothed path for charges during what should become fixed, five year determination periods.

"The NTC should also be designated as the independent pricing regulator for heavy vehicle charges, with decisions appealable to the Australian Competition Tribunal. At present, the NTC only has the ability to recommend charges."

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The submission recommends against adopting the 'building block' pricing model that is used to regulate many monopoly prices because of its complexity and expense.

[Read the ATA submission](#)

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About the ATA: The ATA is the peak body representing the trucking industry. Its members include state and sector trucking associations, major logistics companies and businesses with leading expertise in truck technology. The ATA represents many thousands of trucking businesses, ranging from owner-drivers to large fleets.