MEDIA RELEASE



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ATA WELCOMES ROAD REFORM ENGAGEMENT

The trucking industry welcomes the Australian Government's commitment to engaging with industry on road reform, the Chair of the Australian Trucking Association, Geoff Crouch, said today.

"Road reform is complex, and the ATA welcomes the Government's commitment to engage with industry on the National Heavy Vehicle Charging Pilot," Mr Crouch said.

"The pilot is due to run initially through to 2020, with a commitment to include heavy vehicle operators to test and influence the system.

"We welcome this understanding that there will be a number of issues to be worked through, and we look forward to having more detailed discussions with Government in 2018.

"It is vitally important that any new system must not introduce additional burdens on trucking operators."

The Government's road reform agenda must also fix the current overcharging of heavy vehicles and implement independent regulation of heavy vehicle charges.

"Independent and fair price regulation is fundamental to road reform," Mr Crouch said.

"In 2018-19 it is projected that heavy vehicles will be overtaxed by \$189.5 million by the current charging system.

"This overcharging must be fixed, or any new system will be broken before it begins."

The Government should also reform the funding arrangements for the road network and introduce independent road funds.

"There needs to be a clear link between the collection of charges and the reinvestment of these funds back into the road network," Mr Crouch said.

"Currently there is no link, no guarantee that the charges will actually be spent on roads, and no guarantee they'll be spent on the roads where it is needed.

"We need independent road funds to provide stable, outcomes focused management of road funding."

Mr Crouch said that a recent landmark report on funding road infrastructure by the <u>American</u> <u>Transportation Research Institute</u> illustrates that distance based charging should only be introduced if it proves to be a better system.

"Recent research from the United States actually found that a fuel tax, like our current road user charging system in Australia, had the lowest administration costs and is the most efficient and effective way to fund new roads," Mr Crouch said.

"Distance based charging is not a silver bullet. Any new charging system must be efficient and effective, it must be fair, and it must not impose additional burdens on road users."

A safe, professional and viable trucking industry

About the <u>Australian Trucking Association</u>: 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.