

COMMUNIQUÉ

Heavy Vehicle Charges

Transport Ministers have agreed an updated set of heavy vehicle charges, and to further discuss charging arrangements at the forthcoming 23 May 2014 meeting of the Council.

A new Determination will see a number of key technical amendments to the heavy vehicle charge setting process implemented from 1 July 2016. The new charges under this Determination will be based on recommendations of the National Transport Commission.

The amendments will include the adoption of trailer axle group charging for articulated trailers, improved transparency around expenditure reporting by jurisdictions and the adoption of the latest and most robust research on each heavy vehicle class's contribution to road wear.

Industry has been calling for these changes for some time.

They will ensure that registration charges will be consistent for different types of articulated trailers that are commonly substituted to suit the type of load being carried, unlike current registration charges which vary significantly between otherwise similar trailer types like A-trailers and semi-trailers.

In order to manage the impact of the new Determination on road funding, jurisdictions will be applying from 1 July 2014 (or as soon as possible thereafter) the annual adjustment to current registration charges. This adjustment is expected to see an increase by each jurisdiction in charges of 1.3%, with details of implementation timing to be determined by each jurisdiction. This will also include heavy vehicles registered under the Commonwealth's Federal Interstate Registration Scheme.

The delay in implementing the new Determination is necessary to ensure governments can maintain the quality of roads and the services they deliver to the community. Were the new Determination to be implemented immediately, governments would likely have had to cut road investment programmes as a result of the reductions in heavy vehicle revenues - an outcome governments consider would be unacceptable to truck operators and the community.

In the transition period, jurisdictions that have implemented the Heavy Vehicle National Law will fully fund the NHVR.

For the fuel based Road User Charge, the Australian Government will maintain the current rate of 26.14 cents per litre for 2014-15.