

FACT SHEET

Vehicle and Traffic Amendment (Heavy Vehicle Charges) Bill 2012

The purpose of the *Vehicle and Traffic Amendment (Heavy Vehicle Charges) Bill 2012* is to amend the *Vehicle and Traffic Act 1999* to effect the implementation of the Standing Council on Transport and Infrastructure's (SCOTI) decision of 21 March 2012 and to validate and remove doubt in relation to the 2009/10 and 2011/12 increases to heavy vehicle registration charges.

The Bill principally contains the amended annual vehicle charges applicable to heavy vehicles, which are defined as those weighing more than 4.5 tonnes and includes trucks, prime movers, trailers, buses and special purpose vehicles.

The national registration charges for heavy vehicle classes are periodically recommended by the National Transport Commission (NTC) to reflect the estimated costs of the various heavy vehicle classes to the road network. The charges are set at levels to sustain the revenue base needed for governments to invest in road maintenance and construction, including infrastructure upgrades needed for improved heavy vehicle access.

In May 2011 the NTC began a review of A-trailer (B-double lead trailer) charges to ensure that these charges were not producing unintended consequences, concluding that the charges for B-doubles were too high and that vehicles at the lighter end of the fleet were not recovering their direct costs.

SCOTI approved the NTC's preferred option for amending heavy vehicle charges by updating cost allocation values, using existing expenditure and usage data, and extending the Commonwealth Government collected Road User Charge. This approach simultaneously addresses A-trailer issues, resulting in a reduction in the A-trailer charges by around 50 per cent, and provides for an annual adjustment within the amended charges.

In the course of developing this draft Bill, it was discovered that the 2009/10 and 2011/12 heavy vehicle increases were not properly determined by Gazette Notice in accordance with legislative requirements.

To avoid doubt in relation to these past annual adjustment increases it is proposed that both increases be validated by amendment to the *Vehicle and Traffic Act 1999*.

The amended charges will come into effect on a date to be proclaimed (anticipating 1 November 2012).