

ONLINE ARTICLE

Title:	"Livestock transporters angered by 'stunning' cost hikes"
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Australia's livestock transporters have been stunned to learn they're likely to face more than double the expected increase in Government-imposed fuel and registration charges next financial year.

The nation's road and transport ministers met last week to discuss the next annual adjustments for heavy vehicle charges, which contribute to Government revenue for maintaining and improving road networks.

The meeting provided something of a bittersweet outcome for transporters, but the net result was certainly more bitter than sweet, according to the Australian Livestock and Rural Transporters Association (ALRTA).

The good news was a big win for industry on its two-year campaign to reduce what had been seen as "outrageously high" A-Trailer registration costs. An A-trailer is the lead trailer typically found in a B-double and B-triple configuration.

At last week's meeting, held by video conference, ministers across Australia agreed to reduce A-Trailer charges by almost 50 percent from July 1. The new annual A-Trailer registration fee is expected to be \$3300, down from \$6525.

However, in a case of 'what one hand giveth, the other taketh away', ministers also waved through what the ALRTA has described as a "stunningly high" set of fuel and registration fee increases.

While the Standing Council on Transport and Infrastructure has not yet released the final figures agreed to by ministers, the ALRTA says it has seen the figures and is warning members to brace for significant cost hikes.

The peak transport body's understanding is that road use charges will increase by 10.4pc to 25.5 cents per litre next financial year, registration for a six axle semi-trailer will climb by 11pc to \$6394 per annum, and registration for a full double or triple road train will soar by 21pc to \$13,857 and \$16,607 respectively.

The ALRTA has calculated that the increases will amount to an extra \$292 million per annum in Government revenue, or an increase of 11pc in a single year.

The hike far exceeded the industry's expectations of an annual adjustment for 2012-13 of 5.4 to 6.7pc, documented in a consultation paper issued by the National Transport Commission before Christmas.

The scale of the increase also far exceeds the cost to Government of decreasing registration fees for A-Trailers.

The ALRTA believes there would be a maximum of 20,000 A-Trailers in Australia. Even on that number, the cut of \$3300 on each trailer would amount to a total decrease in revenue of \$66m that would need to be shifted onto other vehicles and trailers - well short of the \$292m increase contained in the new charges.

“What ministers agreed to do is shift costs from A-Trailers onto other vehicles and trailers, but then, on top of that, they’ve hit the industry with that extra \$292 million per annum in charges,” ALRTA executive director Philip Halton said in a statement to members.

“If you run road trains, don’t for a minute be conned into thinking that the campaign for relief on A-Trailers is what’s led to you getting slugged with a 21pc hit on rego and 10.4pc on fuel.

“Do the maths. The extra money that ministers are taking from industry is four-and-a-half times what had to be shuffled around between different vehicles and trailers.”

Mr Halton said that despite intensive lobbying by industry groups against significant increases in the weeks leading up to last week’s meeting, it was clear that State transport ministers were focused on increasing revenue for tight budgets.

“While we got an exceptionally good hearing in Canberra, the States weren’t interested,” Mr Halton said.

“Budgets are tight, and they’re on the hunt for extra revenue. Simple as that.”

He added that he believed that state ministers had been poorly advised on what such large increases in charges and fuel tax would do to industry confidence in the current charging scheme.

“Here’s a prediction: confidence is going to plunge, and industry is going to demand a complete overhaul, not only of how this charging scheme operates, but also a complete transformation of how industry is consulted during these processes.”