

# PRESS ARTICLE

<b>Title:</b>	"Farmers take biggest hit in truck rego hike"
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**V**ARIOUS sectors of agriculture have raised fears over what effect registration increases for heavy vehicles will have on farmers.

From July 1, the fee hikes on prime movers and trailers – which the South Australian Road Transport Association claims will be up by as much as 30 per cent – are set to hit transport operators.

And SAFF president Peter White says that these new costs will be invariably be passed on to farmers.

But the problem was that the agriculture sector could not pass them on.

"If you're working in general freight and the costs of fuel or registration goes up you, just add that and somewhere along the line the consumer pays for it, but with agricultural products – particularly grain – we can't do that, so the cost is borne by the farmer," he said.

"You can't blame trucking companies for putting the price up because they have to make a living – they can't run at a loss."

Association executive director Steve Shearer was in talks with Premier Jay Weatherill's office on Tuesday over registration fee rises and the effect they will have on transport operators.

Mr Shearer has previously criticised Transport Minister Patrick Conlon's response to the registration fee issue, hence the contact with Mr Weatherill's staff.

"If you ask for a meeting with the Premier on an issue that should be dealt with by one of his ministers, there's got to be a good reason," Mr Shearer said.

"We are keenly awaiting the Premier's response on two issues, one being the request for a meeting in relation to registration fees.

"Secondly, we are awaiting a response from the Premier about the need for the Council

## KeyPoints

- Higher trucking costs to pass on to farmers
- SA Road Transport Association awaits response from Premier
- Livestock transporters welcome dolly concession

of Australian Governments to review its policy of setting these fees, so that it takes into account the need to encourage the safe use of high-productivity vehicles on roads that are suitable, because of road safety, environmental and congestion benefits."

Mr Shearer was referring to the May 18 announcement from the Standing Council of Transport and Infrastructure, which agreed to the adoption of a single national modular B-triple vehicle specification, which will enable modular B-triples to have access to the current road train network on the same basis as B-doubles.

The council said it would be a significant productivity enhancement for the heavy-vehicle sector.

But questions have been raised over operators' willingness to take up the option if costs for multi-combination prime movers and rear trailers keep rising.

However, some fears have been eased with the announcement from the council that registration for A-trailers will drop by 50 per cent from July 1.

Last week, a spokeswoman for Mr Conlon said the new charges had reduced total B-triple registration costs by \$4526, or 21pc, and reduced the differential with double road trains by 65pc down to \$3850.

"These changes will mean there is a more competitive position between substitutable vehicles," she said.

T&R manager of beef operations Peter Bond said he was concerned about the costs flowing through to the company. He said transport opera-



## Soaring costs a blow

**U**NDER the new vehicle registration costs set to be introduced on July 1, Bee Jays Haulage owner Barry Jungfer (pictured) estimates he will be running at a loss of \$1729 a year for each prime mover.

Barry, who runs the business with his wife Sue, runs 18 trucks, all registered as B-doubles and road trains, says the costs on multi-combination prime movers are the big problem.

Bee Jays does a lot of grain carting for farmers and contracts to Viterra, with some road-train work in the north of the State and general haulage. Barry says he will have no other choice but to pass on the increasing costs to his clients.

"One thing about the transport industry is that it has a high turnover but very low profit," he said.

"We charge on a tonnes per

kilometre basis, which would have to go up at the same rate as the registration fees.

"It's always hard to charge an increase when farmers are not getting paid any more for what they are doing," he said.

Bee Jays trucks general freight between Adelaide and Melbourne and Melbourne-Perth, with road trains used for the Adelaide-Perth leg.

Barry says if a business was to run only road trains it could be about \$2000 worse-off/unit.

To date, the business has a fuel bill of \$2.2 million for this financial year, which is also set to increase from July as a result of higher fuel excise.

He says the biggest increase over the past four years had been on A-trailers, but registration fees on them have now been cut by 50 per cent, so "it won't be as bad".

tors could not keep incurring costs without passing them on.

Meanwhile, the Australian Livestock & Rural Transporters Association has heaped praise on Mr Conlon over the State Budget announcement of a 100pc concession on all registration charges on road-train converter dollies.

ALRTA executive officer Philip Halton said the original

proposal from the National Transport Commission had contained substantial economic errors.

"The State Government has responded to our concerns with a very responsible, balanced decision," he said.

"Even with this concession, road train operators will more than pay their own way and will be making a very strong contribution to State revenues."