

# **Transport Operations (Road Use Management—Vehicle Registration) Amendment Regulation (No. 1) 2014**

Explanatory notes for SL 2014 No. 65

made under the

*Transport Operations (Road Use Management) Act 1995*

## **General Outline**

### **Short title**

*Transport Operations (Road Use Management—Vehicle Registration) Amendment Regulation (No. 1) 2014.*

### **Authorising law**

Section 171 of the *Transport Operations (Road Use Management) Act 1995*.

### **Policy objectives and the reasons for them**

This regulation implements a 1.3 per cent increase in registration fees for vehicles with a gross vehicle mass of more than 4.5 tonnes for the 2014–15 financial year.

The increase was one option provided by the National Transport Commission (NTC) in the 2014 Heavy Vehicle Charges Determination Regulatory Impact Statement (RIS). The new fees calculated by the NTC are designed to recover the costs to the road network that are attributable to heavy vehicles and to limit cross-subsidisation between heavy vehicle types. The fees also include a regulatory component to partially fund the new National Heavy Vehicle Regulator.

### **Achievement of policy objectives**

The new fees will be introduced by amendments to the *Transport Operations (Road Use Management—Vehicle Registration) Regulation 2010*.

### **Consistency with policy objectives of authorising law**

The amendments are consistent with the policy objectives of the *Transport Operations (Road Use Management) Act 1995*.

## **Benefits and costs of implementation**

Heavy vehicle registration fees contribute to the recovery of the cost of heavy vehicles' share of road expenditure. Recovering the costs of providing and maintaining roads that are attributable to heavy vehicles will ensure the ongoing sustainability of road infrastructure in Queensland. The regulatory component of the charge will be used to partially fund the new National Heavy Vehicle Regulator, although all costs are not recovered at this time.

The increase in registration fees provided for in this regulation is necessary to ensure Queensland can maintain the quality of roads throughout the State.

## **Consistency with fundamental legislative principles**

The amendments are consistent with the fundamental legislative principles.

## **Consultation**

The process for determining heavy vehicle registration fees was the subject of a RIS prepared by the NTC in 2013. Four alternative charging options were proposed as part of the RIS process, including increasing the existing fees by 1.3 per cent.

Transport Ministers have determined that an updated set of heavy vehicle charges, incorporating a number of key technical amendments to the charge setting process, be implemented from 1 July 2016. Queensland has not specifically agreed to the new charging regime and will further consider its position prior to July 2016.

In order to manage the impact of the new Determination on road funding, jurisdictions will be applying a 1.3 per cent increase in heavy vehicle registration fees as outlined in the RIS. In Queensland, this increase will apply from 1 July 2014.

The delay in fully implementing the new Determination until 1 July 2016 is necessary to ensure governments can maintain the quality of roads and the services they deliver to the community. If the new Determination was to be implemented from 1 July 2014, it is possible governments would have had to cut road investment programmes as a result of the reductions in heavy vehicle revenues.