

Motor Vehicle Registration fees in Queensland

The Queensland Government charges the highest motor vehicle registration fees in Australia. From 1 July 2010, these fees were further increased.¹

Table 1 shows the 2009/10 fees and the 2010/11 fees, with the absolute and percentage increases for each of the vehicle classifications.

These figures do not include Compulsory Third Party (CTP) insurance as the insurance charge goes to the nominated CTP provider rather than to government revenue. Table 1 shows Queensland registration fees increased by 3%, in line with a reversion to the policy of indexing the charges to the consumer price index (CPI).

The Queensland Government will generate approximately **\$1.3 billion in revenue** from the registration fees in 2010/11.

Table 1: Registration fee increases 2009/10 to 2010/11

	2009/10	2010/11	\$ increase	% increase
4 Cylinder car	\$308.25	\$317.45	\$9.20	3.0%
6 Cylinder car	\$461.40	\$475.20	\$13.80	3.0%
8 Cylinder car	\$627.70	\$646.50	\$18.80	3.0%

Notes:

The registration fee includes the Traffic improvement fee (\$47.15 in 2010/11)

Data from www.legislation.qld.gov.au/LEGISLTN/SLS/2010/10SL100.pdf

The annual CTP premium is \$337 for Class 1 passenger vehicles in the third quarter of 2010.² The maximum and minimum premium amounts are set quarterly by the Motor Accident Insurance Commission (MAIC) in response to changes in costs and other criteria.

Considering the increase in registration fees and the reduction in the maximum CTP premium, the registration and CTP cost will in the end change relatively little in the third quarter of 2010. Any saving for car-owners comes from a reduction in contributions to CTP insurance providers not the Queensland Government.

The bill received by motorists includes both the registration fees that go to government and the CTP fees that go to the insurance provider. The total amounts are shown in Table 2 over the page. The Queensland Government does allow for six month registrations for those unwilling or unable to pay the whole annual amount, but this attracts a small additional charge.

¹ The State confirmed changes in motor vehicle registration and traffic improvement fees amendments to the Transport and Other Legislation Amendment Act 2010 on 28 May 2010.

² Following a fall in the CTP ceiling, CTP insurance fell in the third quarter 2010 from \$347 to \$337 for Class 1 Passenger Vehicles.

Table 2: Total Qld registration bill (including CTP)

	Current 2009/10	Proposed 2010/11	\$ increase	% increase
4 Cylinder car	\$655.25	\$654.45	-\$0.80	-0.12%
6 Cylinder car	\$808.40	\$812.20	\$3.80	0.47%
8 Cylinder car	\$974.70	\$983.50	\$8.80	0.90%

Notes:

The total includes the registration fee, Traffic improvement fee and CTP.
The maximum CTP fee is used, including Scheme levies and GST.

The Queensland Government announced in the 2010/11 Budget that further changes, through legislative amendments to come into effect 1 October 2010, would outlaw the payment by CTP providers of trailing commissions to motor dealers and other third party interests. The Government expects this will reduce the cost of CTP insurance by a further \$24 per annum.

Assuming all of this reduction will be passed on to car-owners, the expected Queensland registration bill is presented in Table 3.

Table 3: Expected Qld registration costs from 1/10/10 (including CTP)

	Jul-2010	Oct-2010	\$ increase	% increase
4 Cylinder car	\$654.45	\$630.45	-\$24.00	-3.7%
6 Cylinder car	\$812.20	\$788.20	-\$24.00	-3.0%
8 Cylinder car	\$983.50	\$959.50	-\$24.00	-2.4%

Notes:

The total includes the registration fee, Traffic improvement fee and CTP.
The maximum CTP fee is used, including Scheme levies and GST

Table 4 shows a comparison of registration fees by state and territory in Australia. As each jurisdiction uses a different method to charge fees, a number of assumptions are made, as detailed in the notes to the table, to ensure that the figures are a fair comparison. This data shows that the Queensland registration fees remain the most expensive in Australia. RACQ is not aware of any plans by other state governments to increase their registration fees substantially above the CPI.

Note the table below shows the cost of registration only to enable like for like comparison with other states. In the case of Queensland, registration includes the additional compulsory traffic improvement fee of \$47.15.

Table 4: Australian Motor Vehicle Registration Costs by State

	Qld	NSW	Vic	SA	WA	TAS	ACT	NT	Average (excl. Qld)
Small car	\$317.45	\$255.00	\$183.30	\$129.00	\$197.08	\$187.15	\$261.40	\$79.00	\$184.56
Medium car	\$475.20	\$286.00	\$183.30	\$231.00	\$241.23	\$211.15	\$293.70	\$142.00	\$226.91
Large car	\$646.50	\$407.00	\$183.30	\$322.00	\$353.68	\$253.15	\$418.80	\$161.00	\$299.85
Method	Cylinders	Weight	Flat fee	Cylinders	Weight	Cylinders	Weight	Cylinders & Capacity	

Notes:

Small car is defined as a 4 cylinder 2 litre car weighing approximately 1,100kg.

Medium car is defined as a 6 cylinder 3.5 litre car weighing approximately 1,500kg.

Large car is defined as an 8 cylinder 5 litre car weighing 1,800kg.

The definitions allow comparison of state registration systems due to the differing criteria and fees used to calculate total charges.

This analysis includes all registration and related fees and excludes transfer charges and Compulsory Third Party insurance.

All costs are annual, although some states allow quarterly or 6 monthly time periods for billing.

These are the full prices for private use, not including concessions available to some car-owners.

Each state government also has a different means of calculating and charging for CTP insurance. The differing rates are shown below in Table 5. The revenue from these fees goes to commercial insurance providers rather than to government. The large variation in costs highlights differences across the states in legislative regimes covering personal injuries from motor vehicle accidents and the cost of payouts. The Queensland CTP fees are higher than Western Australia and similar to, or lower than, the other states. The Queensland CTP fees are marginally lower than the average of all other states.

Table 5: Australian CTP fees by State

	Qld	NSW	Vic	WA	SA	Tas	NT	ACT	Average (excl. Qld)
Low Risk Zone	\$337.00*	\$385.76	\$333.00	\$245.01	\$320.00	\$350.00	\$474.40	\$487.04	\$370.74
Medium Risk Zone	\$337.00	\$407.38	\$381.00	\$245.01	\$382.00	\$350.00	\$474.40	\$487.04	\$390.81
High Risk Zone	\$337.00	\$525.41	\$429.00	\$245.01	\$444.00	\$350.00	\$474.40	\$487.04	\$422.12

Notes:

* In October 2010 the Queensland CTP may drop to \$314.00 when dealer commissions are outlawed

Most jurisdictions have a fixed CTP fee for private passenger vehicles. Victoria uses the low, medium and high risk zones adopted in this table.

For NSW low risk is the Country zone, high risk is Sydney Metro zone, and medium risk is the median of the other zones.

For SA, low risk is the country zone, high risk is the metropolitan zone and medium risk is the average.

This analysis includes all Compulsory Third Party insurance premiums, including Scheme levies, administration fees and GST.

All costs are annual, although some states allow quarterly or 6 monthly time periods for billing.

These are the 2008/09 full prices for private use, not including concessions available to some car-owners.

The total annual registration bill including CTP insurance is presented in Table 6 for a medium sized family sedan on the road in the major capital city. Differing permutations can be calculated from the data supplied, but for the purposes of comparison this is viewed as easiest to compare and of greatest relevance to most motorists.

The data shows that Queensland motorists generally face the highest average fixed annual fees in Australia.

Table 6: Australian Total Registration Bill amount by State Capital

	Qld	NSW	Vic	WA	SA	Tas	NT	ACT
Medium car, High Risk Zone	\$812.20	\$811.41	\$612.30	\$486.24	\$675.00	\$561.15	\$ 616.40	\$781.20

Notes:

This analysis includes all registration, CTP and related annual fees.

These are the full prices for private use, not including concessions available to some motorists.

Conclusion

The Queensland Government portrays itself as low taxing compared with other jurisdictions. However, the data on registration costs presented in this FactSheet make it clear that vehicle owners in Queensland face amongst the highest government-imposed fixed costs in Australia.

More information on transport costs can be found at: http://www.racq.com.au/motoring/cars/car_economy/vehicle_running_costs

More information on RACQ's advocacy for motorists can be found at: http://www.racq.com.au/motoring/advocacy_for_motorists

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