

Motor Vehicle Registration fees in Queensland

The Queensland Government charges the highest motor vehicle registration fees in Australia. From 1 July 2009, these fees are set to increase substantially.

Table 1 shows the 2008/09 fees and the proposed 2009/10 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 that Queensland registration fee increases will range from \$45 or 17% for four cylinder cars, to \$81 or 21% for six cylinder cars and \$113 or 22% for eight cylinder cars.

The Queensland Government will generate approximately \$1 billion in revenue from the registration fees in 2008/09. The Government anticipates that this will increase with the higher charges by \$194 million or 19% in 2009/10. The money goes to consolidated revenue so there is no direct link or way of tracking whether the revenue is used to fund infrastructure.

Table 1: Registration fee increases 2008/09 to 2009/10

	2008/09	2009/10	\$ increase	% increase
4 Cylinder car	\$263.00	\$308.25	\$45.25	17%
6 Cylinder car	\$380.35	\$461.40	\$81.05	21%
8 Cylinder car	\$514.80	\$627.70	\$112.90	22%

Notes: The registration fee includes the Traffic improvement fee (\$45.80 in 2009/10)

Data from www.legislation.qld.gov.au/LEGISLTN/SLS/2009/09SL064.pdf

The annual CTP premium is between \$326 and \$329 for Class 1 passenger vehicles in the second quarter of 2009 (01/04/09 – 30/06/09) and will increase from 1 July 2009 to between \$337 and \$340. These figures include scheme levies and GST. The \$11 increase is about 3.3% for the quarter, or an annual rate of about 13%. 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.

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.

Table 3 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 existing Queensland registration fees are the most expensive in Australia. RACQ is not aware of any plans by other state governments to increase their registration fees substantially above the consumer price index (CPI).

The total annual registration bill including CTP insurance is presented in Table 5. This data is clear evidence that Queensland motorists face the highest average fixed annual fees in Australia. The Australian Capital Territory (ACT) - with its higher proportion of well-paid jobs, primarily urban population and more generous accident compensation payments - is the only other jurisdiction with comparable fee levels.

Table 5: Australian Total Registration Bill amount by State

	Qld 2009/10	Qld 2008/09	NSW	Vic	WA	SA	Tas	NT	ACT	Average (excl. Qld)
Small car	\$648.25	\$592.00	\$539.91	\$549.80	\$436.94	\$507.00	\$519.85	\$597.10	\$661.20	\$544.54
Medium car	\$801.40	\$709.35	\$570.11	\$549.80	\$500.94	\$605.00	\$542.85	\$666.10	\$691.40	\$589.46
Large car	\$967.70	\$843.80	\$686.91	\$549.80	\$548.94	\$692.00	\$584.85	\$733.10	\$808.20	\$657.69

Notes:

The car types chosen allow comparison of different charging regimes as detailed in Table 3.

The Medium Risk Zone, as detailed in Table 4, is used as the average where CTP charges vary across geographic zones.

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

These are the 2008/09 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 the highest government-imposed fixed costs in Australia.

Queensland motorists have enjoyed the benefits of an 8.354 cents/litre fuel subsidy that is not available in other states. To some extent, this has balanced the very high registration costs in Queensland.

Should the registration costs increase further, and the fuel subsidy be removed, Queenslanders will face the highest vehicle ownership and operating costs in the country.

None of the proposed increase in revenue to the Queensland Government is dedicated to fund transport infrastructure or services. It will go to consolidated revenue, where it will replace other shortfalls in revenue due to the economic downturn, or other increases in government expenditure.

More information on transport costs can be found at www.racq.com.au/about_us/lobbying_for_road_users

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