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RACQ Transport Costs Survey



Produced by : RACQ Public Policy Department

Issue Date : November 2009



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1 Executive Summary

The aim of the Transport Costs Survey was to explore member attitudes on a range of motoring cost and infrastructure funding issues. The member responses inform RACQ's position on road pricing and provide direction for policy research.

Ultimately, data from the Transport Costs Survey will help maintain RACQ's relevance to members and strengthen our position as a responsible and effective motoring advocate on their behalf.

This report presents the survey questions and responses. It includes some limited analysis by region, income and other demographic variables, where the extra detail informs an obvious policy question. Discussion of the survey results has deliberately been kept brief. The results will be combined with other research to inform future RACQ policy positions. The remainder of this Executive Summary outlines some key messages drawn from the survey results.

1.1 Key Messages

Congestion and Alternative Transport Modes

Ninety-seven percent of members regularly or occasionally drive on congested roads. Congestion is a substantial economic, social and environmental problem and nearly all members (93 percent) expect it will worsen.

More than half our members (53 percent) had recently cycled or used public transport, so while RACQ's focus should recognise that the car plays an essential role in Queenslanders' mobility and lifestyle, there is also a need for our advocacy to consider the total urban transport network.

Alternatives to the Queensland Fuel Subsidy Scheme and Fuel Excise

Respondents opposed the removal of the State's fuel subsidy scheme, but now it is gone, they want the subsequent government savings used to lower other motoring costs or improve roads and public transport. Members oppose the subsidy savings disappearing into consolidated revenue to be spent on other government projects.

The survey highlights that members value lower registration charges above all other potential transport cost savings.

New Car Purchase Incentives

There is strong member support for rebates on the purchase of new fuel-efficient cars (66 percent). There is less support for a feebate scheme that puts a charge on fuel-inefficient vehicles (50 percent). Any feebate scheme should be equitable and not unduly disadvantage large families with bigger vehicles.



Pay As You Drive Charges

Respondents are divided in opinion about fixed versus variable, pay as you drive charges. Given that nearly half of RACQ members (47 percent) support registration and insurance charges based on distance driven, it would be advantageous to provide motorists with a distance-based charging option.

Vehicle Fringe Benefits Tax

Nearly two-thirds of RACQ members (60 percent) believe the statutory formula for calculating vehicle Fringe Benefits Tax (FBT) should be converted to a single FBT percentage to remove incentives for additional travel. While there was more support for this change among low kilometre drivers (62 percent), nearly half of all very high kilometre drivers (47 percent) supported a fixed FBT formula.

Implementing a single fixed FBT percentage with no incentive to drive further would promote more efficient use of the road network and improve congestion outcomes.

Transport Infrastructure Funding

Most respondents (85 percent) want more money spent on transport, particularly roads, with two-thirds (68 percent) suggesting that more priority be given to roads over trains, buses or walking and cycling infrastructure. The survey results support RACQ's mandate to advocate for greater funding of transport infrastructure.

Members strongly opposed an increase in registration costs to fund additional roads and public transport (77 percent opposition). The options to increase developer contributions or redirect government taxes, received most support.

Road Pricing Options

When it comes to urban road pricing regimes, members prefer congestion charging (50 percent support) over road tolls (44 percent support) or increased parking charges (39 percent support).

These results suggest that RACQ should continue to advocate inner city congestion charging as a preferable mechanism to fund new roads than tolls or parking levies. This is particularly relevant given that governments are pursuing toll roads, and the current Henry tax review has put road pricing firmly on the political agenda.

Inner City Congestion Charging

There is relatively high acceptance among motorists that an inner city congestion charge would improve traffic flows (57 percent), and just over half our members (54 percent), would support a charge of \$5 a day.

To avoid paying a congestion charge, members would be most likely to consider public transport (76 percent). People would consider changing where they shopped (48 percent), car pooling (42 percent) or changing their travel times (40 percent).



2 Introduction

The RACQ is Queensland's peak motoring organisation with 1.2 million members. They look to us to represent their interests on a broad range of motoring matters, including the adequacy of transport infrastructure, escalating urban congestion and motoring costs.

To assist with its ongoing advocacy and policy development, RACQ's Public Policy Department launched the Transport Costs Survey to increase understanding of member opinions on a number of motoring cost, taxation and infrastructure funding issues.

The key objectives addressed in the Transport Costs survey included:

- Testing the level of support for the Queensland fuel subsidy scheme and a range of possible alternatives;
- Evaluating the relative acceptance of various forms of urban road pricing to improve mobility, reduce congestion and raise revenue;
- Comparing member attitudes to various alternative road pricing and funding mechanisms including tolls, congestion pricing, distance based charging, and parking levies;
- Obtaining members' views on the importance of tackling traffic congestion;
- Evaluating motorists' attitudes to how revenue from motoring taxes and road user charges should be spent; and
- Understanding current frequency and use of various modes of transport.



3 Methodology

RACQ conducted this transport costs research using an on-line survey emailed to 24,175 members throughout Queensland, with 2,052 completed responses (a response rate of 8.5 percent). The online questionnaire included 35 questions, with a completion time of about 15 minutes. Data collection commenced on 19th May 2009 and concluded on 7th June 2009.

The survey was conducted in-house and designed by the Public Policy Department. RACQ's Research Coordinator organised survey distribution and compiled the survey responses.

Five \$500 Caltex StarCash cards were awarded by random selection from all respondents, as an incentive for members to undertake the survey.

3.1 Sample size, composition and segmentation

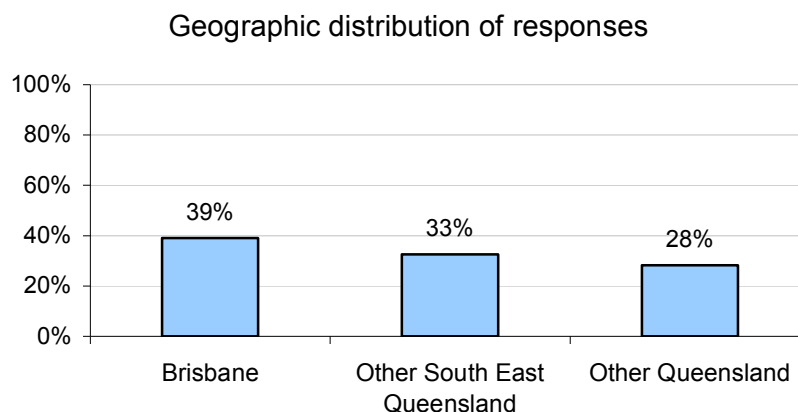
The survey utilised a random sampling approach designed to be representative of RACQ's membership throughout Queensland.

The sample covered a range of age, gender, household income and region groups to allow comparison by:

- gender;
- age;
- income;
- region;
- vehicle ownership (i.e. the number of household vehicles, and private vehicle ownership versus novated lease or employer provided car); and
- driving frequency (i.e. low versus high kilometre drivers).

The regions consisted of:

- Brisbane (Brisbane City Council Division);
- other South East Queensland (which excluded Brisbane); and
- the remainder of Queensland.





At the same time that this survey was being undertaken, RACQ launched its “fight the fuel tax” campaign, in response to the State Governments announcement that it would abolish Queensland’s fuel subsidy scheme.

While most members were sent an email encouraging them to sign RACQ’s online petition and oppose the removal of the fuel subsidy, care was taken not to email the “fight the fuel tax” petition to those members who had been asked to complete the Transport Costs Survey.

<i>Survey Type</i>	Online
<i>Number of questions</i>	Respondents were asked a maximum of 35 questions
<i>Population surveyed</i>	RACQ members - 1,190,411 members as at 21 July 2009
<i>Number of surveys distributed</i>	24,175
<i>Number of survey responses</i>	2052 Completed Surveys 98% - Confidence Level* 2% - Margin of Error** ¹
<i>Response rate</i>	8.5%
<i>Incentive</i>	Completing the survey gave members the chance to win one of five \$500 Caltex StarCash cards

¹ * Confidence Level is a statistical measure of the number of times out of 100 that test results can be expected to be within a specified range. For example, a confidence level of 97% means that the result of an action will probably meet expectations 97% of the time.

** Margin of Error is a statistic expressing the amount of random sampling error in a survey's results. The larger the margin of error, the less faith one should have that the poll's reported results are close to the "true" figures; that is, the figures for the whole population.



4 Findings

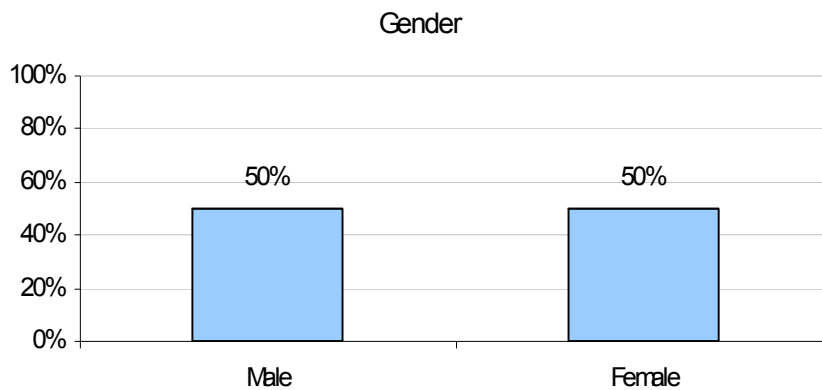
4.1 Demographic Questions and Member Profile

A number of demographic questions were asked to ensure the survey respondents comprised a good cross section of members. The demographic questions also provided the ability to evaluate responses by age group, gender, household income, location and so on.

Q: Are you

Male

Female



Q: In which of the following broad age groups do you belong?

17 to 24 years

25 to 29 years

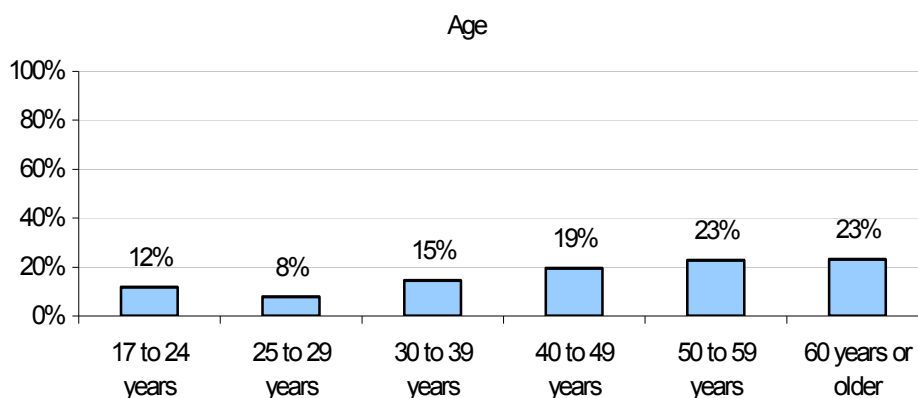
30 to 39 years

40 to 49 years

50 to 59 years

60 years or older

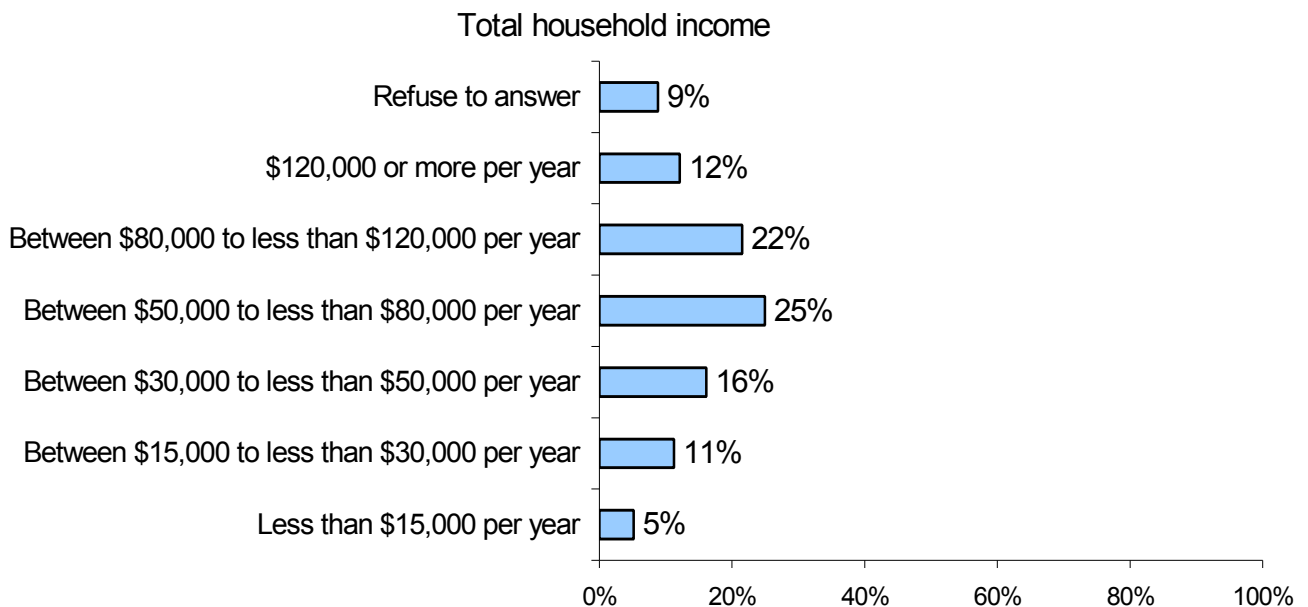
Refuse to answer





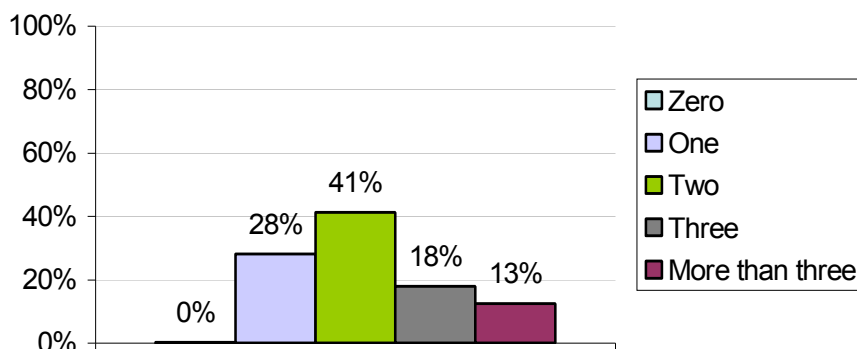
Q: Into which of the following broad categories does your total household income fall, bearing in mind that this information will remain strictly confidential and it will be used only for statistical reference?

- Less than \$15,000 per year
- Between \$15,000 to less than \$30,000 per year
- Between \$30,000 to less than \$50,000 per year
- Between \$50,000 to less than \$80,000 per year
- Between \$80,000 to less than \$120,000 per year
- \$120,000 or more per year
- Refuse to answer



Q: How many registered vehicles do you have in your household?

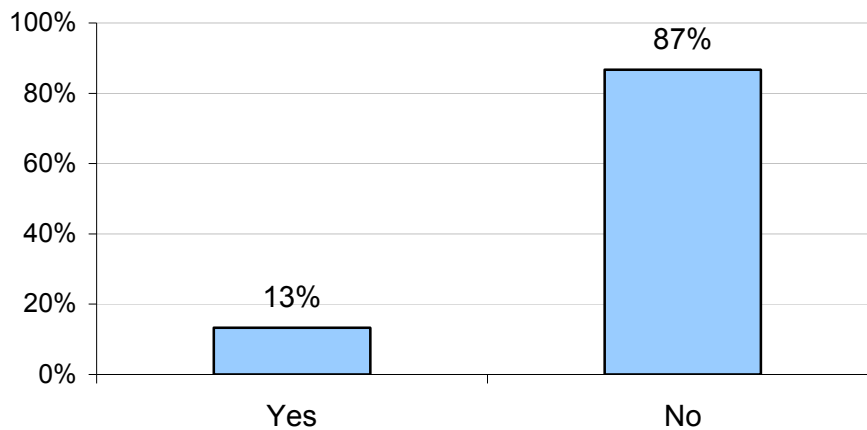
- Zero
- One
- Two
- Three
- More than three





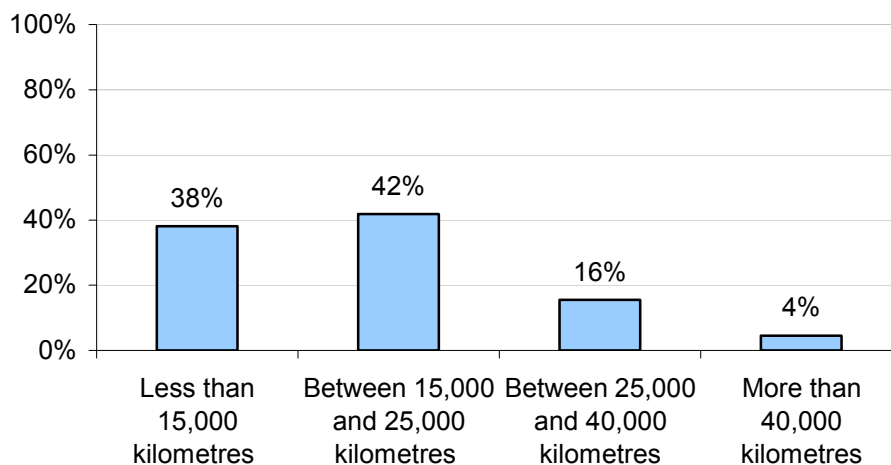
Q: Do you have a company or employer-provided vehicle or a novated lease arrangement?

- Yes No



Q: How far do you estimate you drive each year in your main vehicle?

- Less than 15,000 kilometres (i.e. less than 300 kilometres a week)
 Between 15,000 and 25,000 kilometres (i.e. between 300 and 500 kilometres a week)
 Between 25,000 and 40,000 kilometres (i.e. between 500 and 800 kilometres a week)
 More than 40,000 kilometres (i.e. more than 800 kilometres a week)



Comments:

- The survey responses suggest that members drive an average of about 350 kilometres per week, or 18,000 kilometres in a year.



4.2 Congestion: History, Expectations and Alternative Transport Modes

“Congestion is what keeps me out of the city...”

4.2.1 RACQ Public Policy Issues

Congestion in Brisbane alone is estimated to cost \$1.59 billion annually and this is expected to top \$3 billion by 2020. These costs reflect the extra travel time, fuel usage, travel time unreliability and pollution arising from congestion, compared to a reasonable traffic flow, such as between the morning and afternoon peak hours.

Over the next two decades, south-east Queensland’s population is expected to increase by 60,000 people each year, with total vehicle kilometres travelled expected to increase 31 percent by 2026.

The severity of urban congestion in south-east Queensland has long been recognised by the RACQ. Over the next 10 years, Brisbane is forecast to have the highest congestion growth rate of any Australian capital city. Congestion threatens our local economy, environment and quality of life. Time wasted sitting in congested traffic reduces both leisure time and productivity; and longer travel times increase transport costs for business.

In order to gauge motorists’ perceptions about congestion, RACQ members were asked whether they thought congestion had increased over the past five years, and what they expected to occur over the next five years. The survey results highlighted that more than 90% of respondents believed congestion had worsened in recent years, and would continue to do so.

The survey also looked at alternative transport use such as cycling and public transport. While much of the RACQ’s focus is on roads, our public policy and advocacy considers the total urban transport network. We know that growing congestion requires the operation of safe, convenient and reliable walking, cycling and public transport facilities.

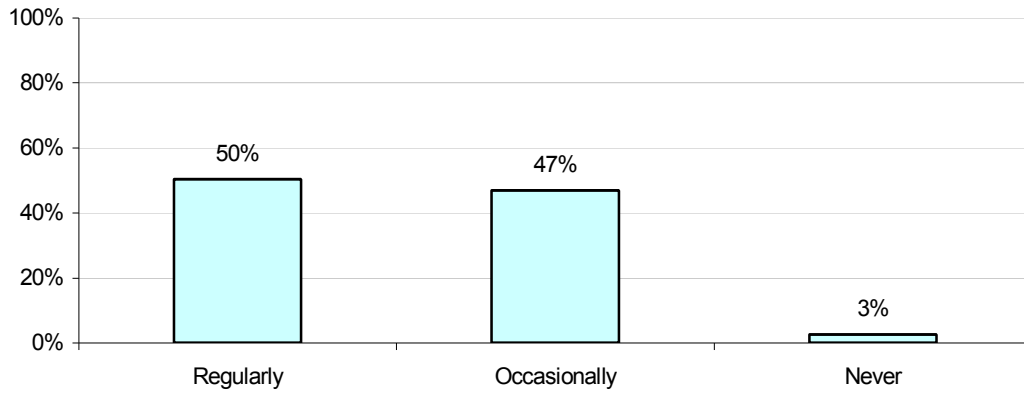
Many urban motorists also walk, cycle or use public transport, so all transport modes are integral to their mobility. The survey found that half of our members had recently travelled by public transport or bicycle, and that the use of these transport modes is not significantly influenced by the number of cars in a household.

4.2.2 Survey Results

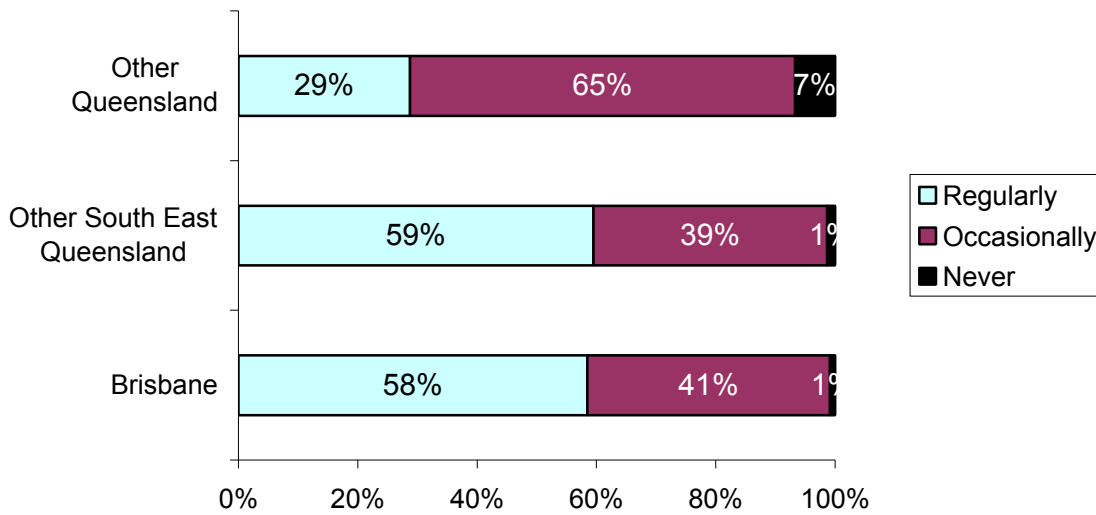
Q: How often do you drive on congested roads?

Congested roads are those roads characterised by slower speeds, increased queuing, and longer trip times than normal.

- Regularly Occasionally
 Never



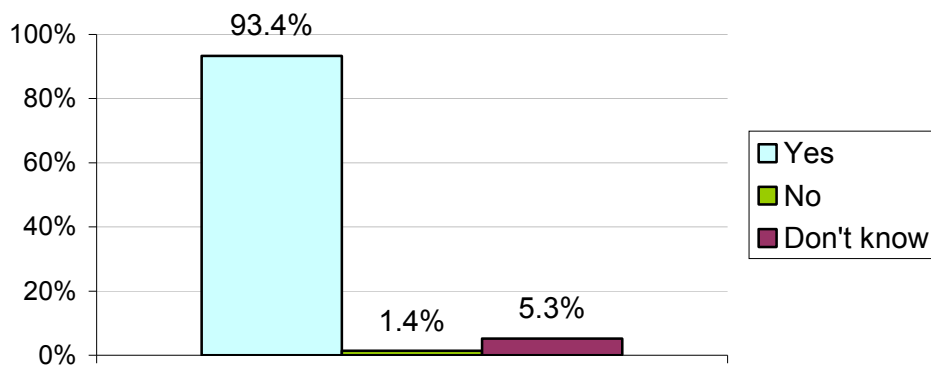
Regional Breakdown of Congested Road Use



Q: Do you believe congestion **has increased** over the last five (5) years?

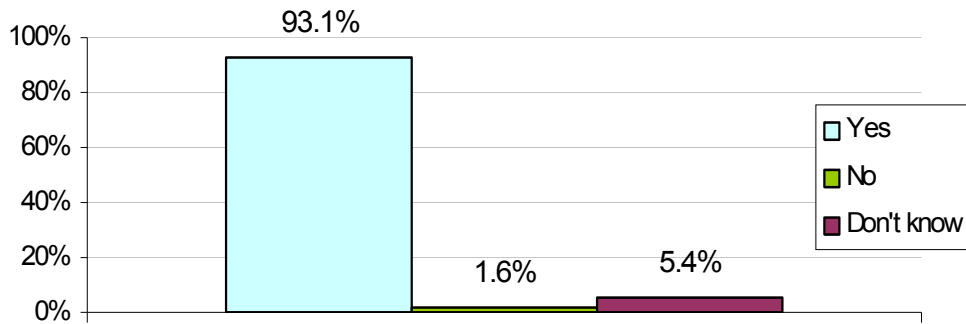
Yes No

Don't know

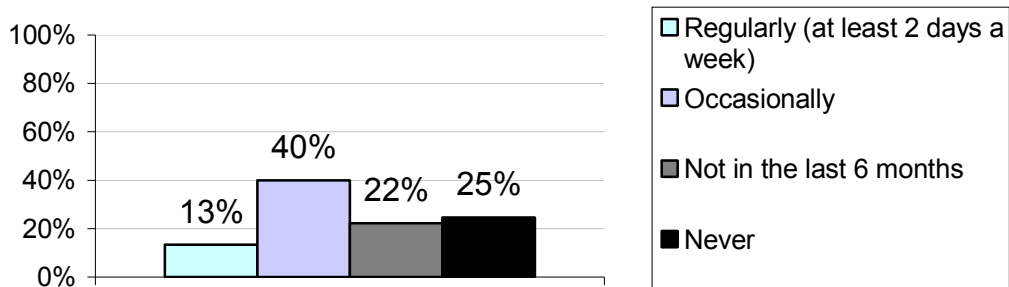




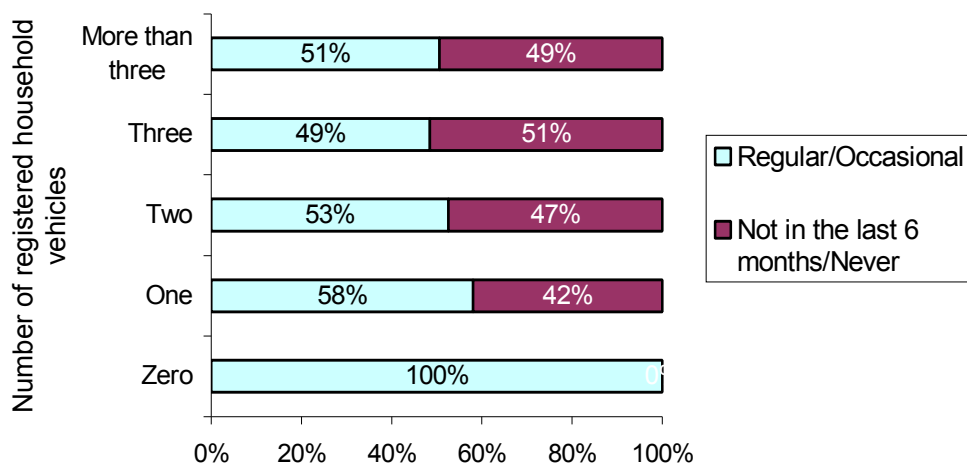
Q: Do you believe congestion **will increase** over the next five (5) years?
 Yes No



Q: How often do you cycle or use public transport (bus, train, ferry, taxi)?
 Regularly (at least 2 days a week) Occasionally
 Not in the last 6 months Never



Public transport and cycling frequency by number of household cars





4.3 Fuel Excise and Alternatives to the Queensland Fuel Subsidy Scheme

“I would be happy to pay more for fuel if it meant we could trust the government to use the extra revenue to benefit us, to improve our environment, lessen congestion and make it safer for all on the roads, but how do we know where they would direct it?”

4.3.1 RACQ Public Policy Issues

This survey was designed before the government’s public proposal to remove the Queensland fuel subsidy scheme. The survey was conducted during the public debate about the fuel subsidy. While most RACQ members were sent an email encouraging them to sign RACQ’s online “fight the fuel tax” petition and oppose the removal of the fuel subsidy, care was taken not to email the petition to those members included in the transport costs survey.

The survey canvassed the level of support for retention of the fuel subsidy and asked members what alternative benefits the government could provide with savings of some \$540 million each year from abolition of the fuel subsidy. Strongest support (86 percent) was given to the option of lowering registration costs, perhaps because Queensland registration fees are the most expensive in Australia.

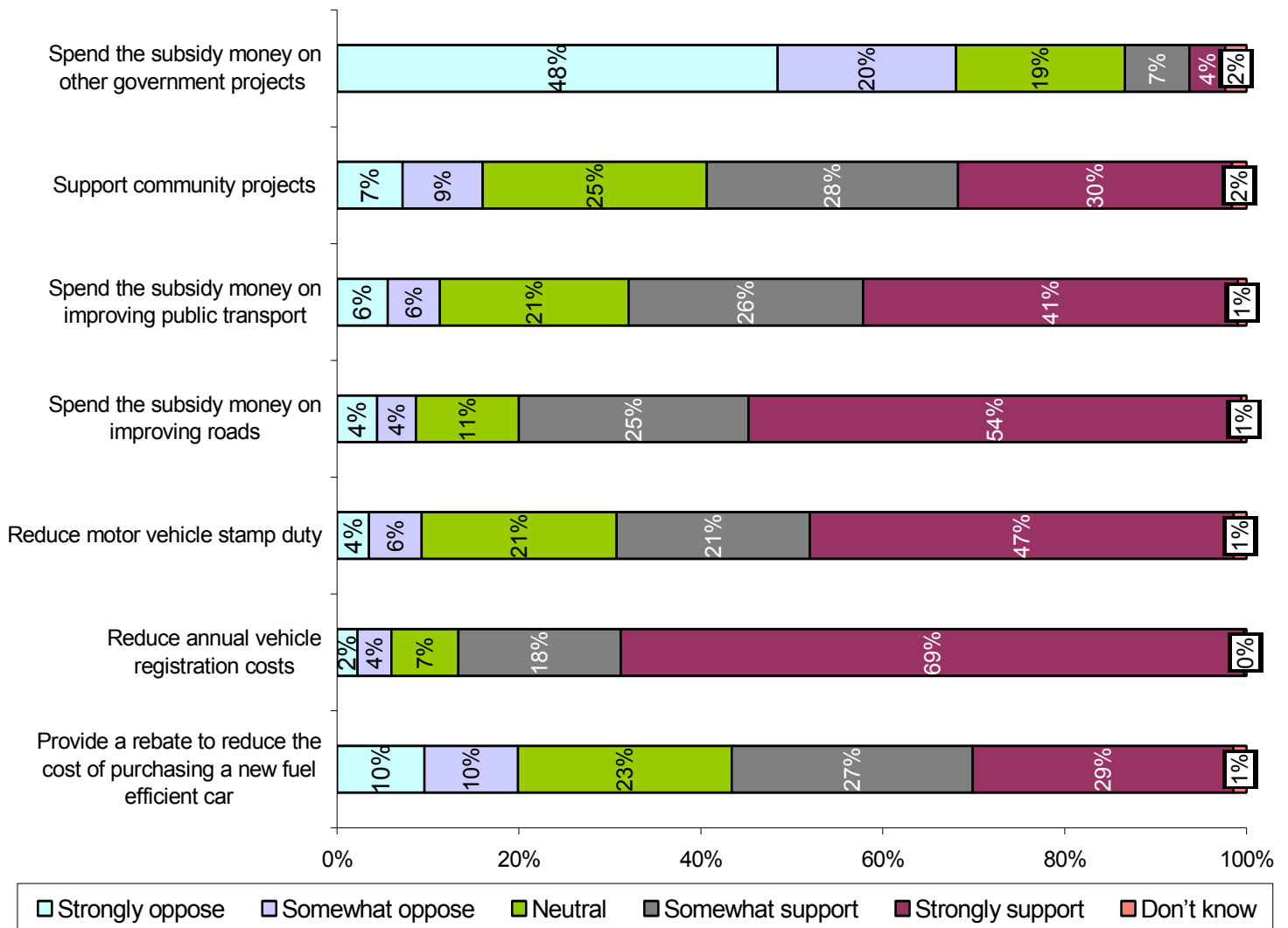
The survey also asked whether car drivers should be charged a higher fuel excise than trucks. At present, private motorists pay 38 cents a litre in Federal government fuel excise. Heavy vehicles receive a rebate that reduces their fuel excise to 21 cents a litre. Three quarters of members (73 percent) believe trucks should be subject to the same fuel excise arrangements as cars.

4.3.2 Survey Results

Petrol and diesel fuel prices in Queensland are subsidised by the Queensland State Government. This reduces fuel prices by 8 to 9 cents a litre and costs the Queensland Government about \$540 million dollars each year. Most research indicates that the subsidy is passed on to consumers but some analysts suggest that the fuel companies don’t always pass on the full benefits.



Support and opposition to alternative fuel subsidy benefits



Comments:

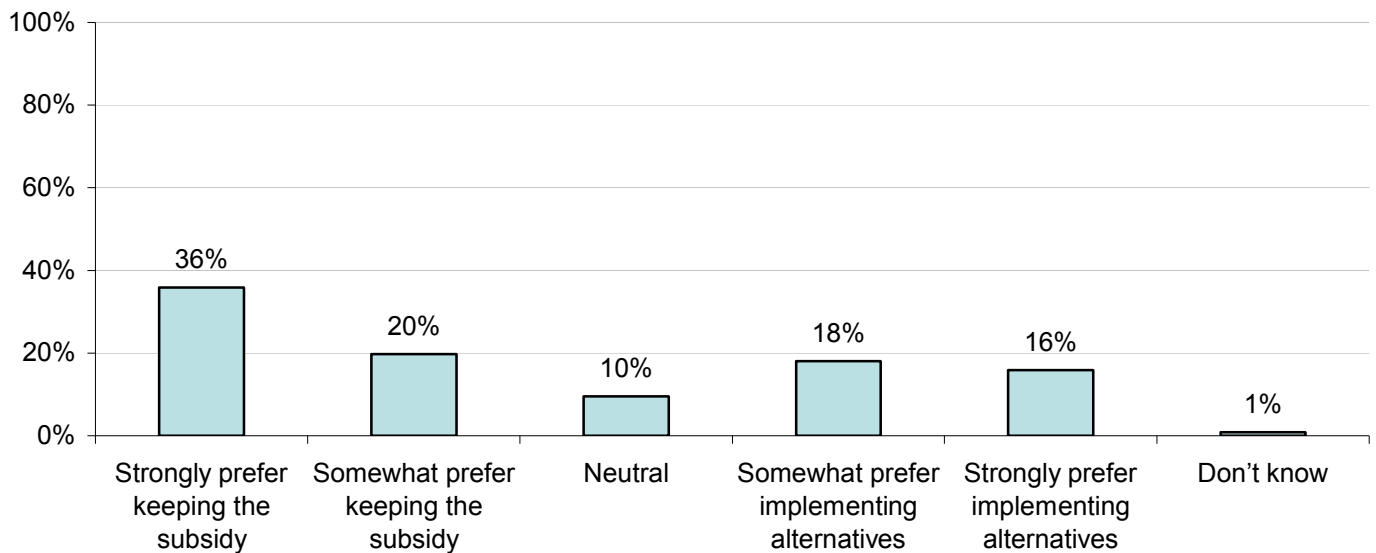
- When asked to nominate how the government should spend their fuel subsidy savings if the scheme was abolished, strongest support (86%) was given to the option of reducing vehicle registration charges.
- The next preference (79% support) was to have the subsidy money spent on roads.
- Other options receiving majority support were:
 - reducing motor vehicle stamp duty;
 - spending the subsidy money on improving public transport;
 - supporting community projects that reduce traffic accidents and greenhouse gas emissions through a sustainable transport fund; and
 - providing a rebate to reduce the cost of purchasing a new fuel efficient car.
- There was least support for the subsidy savings simply disappearing into consolidated revenue to be spent on other government projects (11%).



Q: Now you have thought about the alternatives to the fuel subsidy, would you prefer the Queensland Government keep the fuel subsidy, or instead implement the alternatives you support?

- Strongly prefer keeping the subsidy
- Somewhat prefer keeping the subsidy
- Neither prefer keeping the subsidy/Nor prefer implementing alternatives
- Somewhat prefer implementing alternatives
- Strongly prefer implementing alternatives
- Don't know

Preference for alternative benefits over the fuel subsidy



Comments:

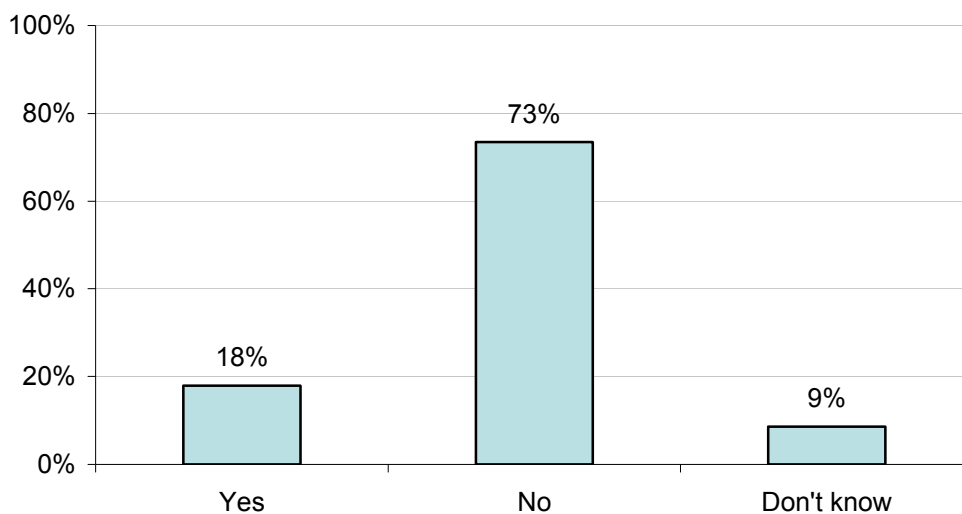
- After making the respondents aware of a number of possible alternatives that could be implemented if the fuel subsidy were to be removed, the research sought to find whether the support for the fuel subsidy was still as strong. The initial support of 70% was eroded to 56%, indicating majority support for the fuel subsidy, even after consideration of alternative uses of the money.



Q: The Federal Government taxes petrol and diesel fuel at 38 cents a litre for private motorists. Heavy vehicles get a rebate that reduces their fuel excise to 21 cents a litre even though trucks do more damage to roads. Increased fuel excise for trucks could mean paying slightly more for groceries and other goods.

Do you think car drivers should be charged a higher fuel excise than trucks?

- Yes No
 Don't know



4.4 New Car Purchase Incentives: Rebates and Feebates

“New car purchases of non-carbon efficient engines should be taxed higher.”

4.4.1 RACQ Public Policy Issues

A number of countries have implemented or are evaluating rebate and feebate systems to reduce the energy consumption of new vehicles. Rebates make it cheaper to buy a new fuel-efficient car. Feebate schemes maintain a rebate on fuel-efficient cars while putting an additional charge on the cost of buying a new fuel-inefficient vehicle.

International data suggests rebates influence both demand and supply side decisions and can increase fleet penetration of fuel-efficient, low-emission vehicles. Rebates for fuel-efficient vehicle purchases increase pressure on manufacturers to improve their vehicles and result in more efficient product offerings. The rebates are also a direct signal by government of the importance of fuel-efficiency as a purchase criteria.



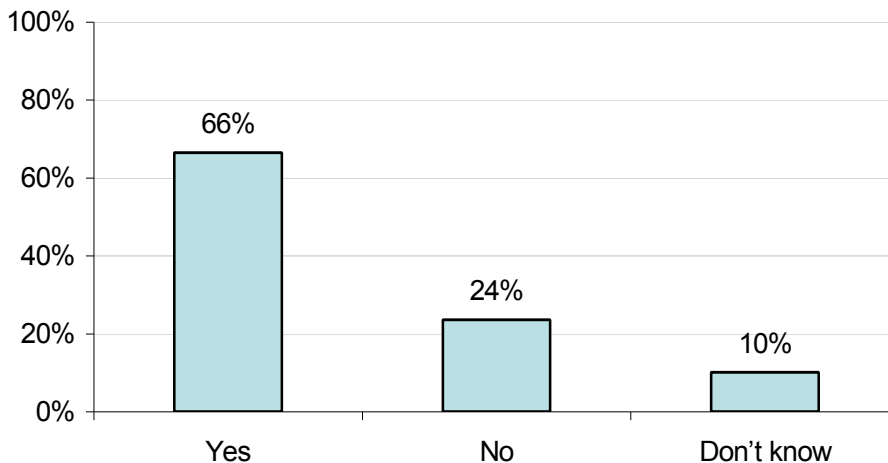
There is less data available to assess the effectiveness of feebate schemes as few exist. Feebate schemes are more complex to design and administer to ensure that they are equitable and do not unduly disadvantage large families, who often require bigger vehicles.

This survey tested whether rebates and / or feebates could encourage more members to purchase very fuel-efficient vehicles and whether one mechanism was viewed more favourably than the other. There was clear member support (66 percent) for the introduction of a cash rebate on the purchase of new fuel-efficient cars, with the level of support dropping to 50 percent when the suggestion of a charge for purchasing fuel-inefficient cars was introduced.

4.4.2 Survey Results

Q: Do you think the Government should introduce a cash rebate or subsidy to make it cheaper to buy a new very fuel-efficient car such as a petrol hybrid or a small diesel car?

- Yes
- No
- Don't know



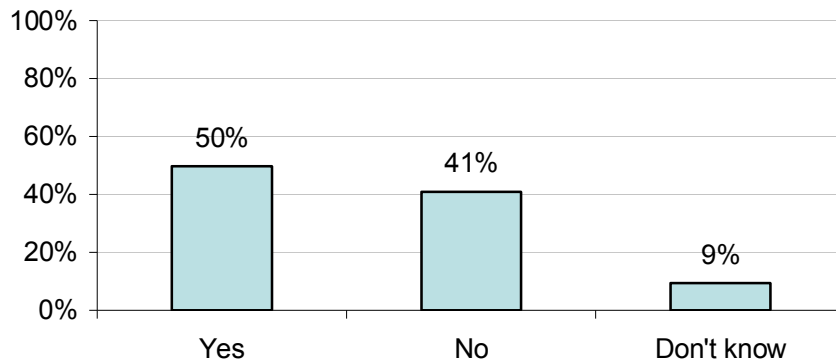


Q: If the Government was to introduce a rebate to reduce the cost of buying a very fuel efficient car, do you think it should balance this with an additional charge on buying a very fuel-inefficient car? This would make fuel-efficient cars cheaper and fuel-inefficient cars more expensive.

1. Yes

2. No

3. Don't know



4.5 Pay As You Drive Charges

“Registration should be affordable for all including the low income earners. If registration was to go up, put in a pay as you go system for the low income earners to pay weekly, fortnightly, monthly, quarterly.”

4.5.1 RACQ Public Policy Issues

A variable distance-based tax (also called pay as you drive pricing) is based on how much a vehicle is driven. Instead of paying annual registration and compulsory third party (CTP) charges, these costs could be converted to a distance-based variable charge and collected based on odometer readings, fuel use, GPS or on-board car monitoring devices.

Variable taxes and charges are usually more economically efficient and equitable as people are charged according to how much they drive. However, compliance and administrative costs may increase depending on the design of the system.

The conversion of fixed motoring taxes to variable, distance-based charges would provide the following benefits:

- Greater alignment of motoring taxes to market-based charges with improved efficiency;
- Improved equity for the low-distance drivers such as pensioners;
- Increased pricing options for motorists;
- Reduced travel distance, emissions, congestion and accident risk; and
- Increased vehicle affordability.



Even with a reduction of fixed motoring taxes, the implementation of distance-based driving charges could disadvantage those motorists who drive large distances and have little access to public transport alternatives because they live in rural areas and outer suburbs.

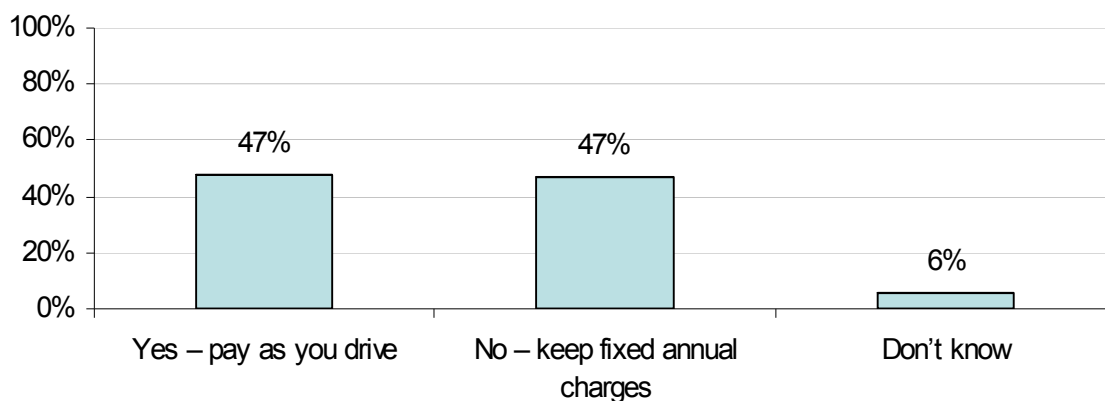
This survey tested attitudes toward fixed versus variable motoring charges. Members were equally divided in their support for pay as you drive charges over the current system of fixed annual charges, with 47 percent support received for both options. This suggests a system of optional pay as you drive charges would provide net consumer benefits, since motorists would only choose distance-based registration charges if they believed they would be better off as a result.

The survey also looked at whether the introduction of registration and insurance as variable, distance-based charges would provide an incentive to drive less. There was little evidence among respondents that pay as you drive charges would result in any significant reduction in the amount of driving undertaken. Eight out of ten members (78 percent) said they would still drive the same distance under a pay as you drive charging regime. Most people view their vehicle travel as largely non-discretionary, although 17 percent did nominate that their travel would decrease.

4.5.2 Survey Results

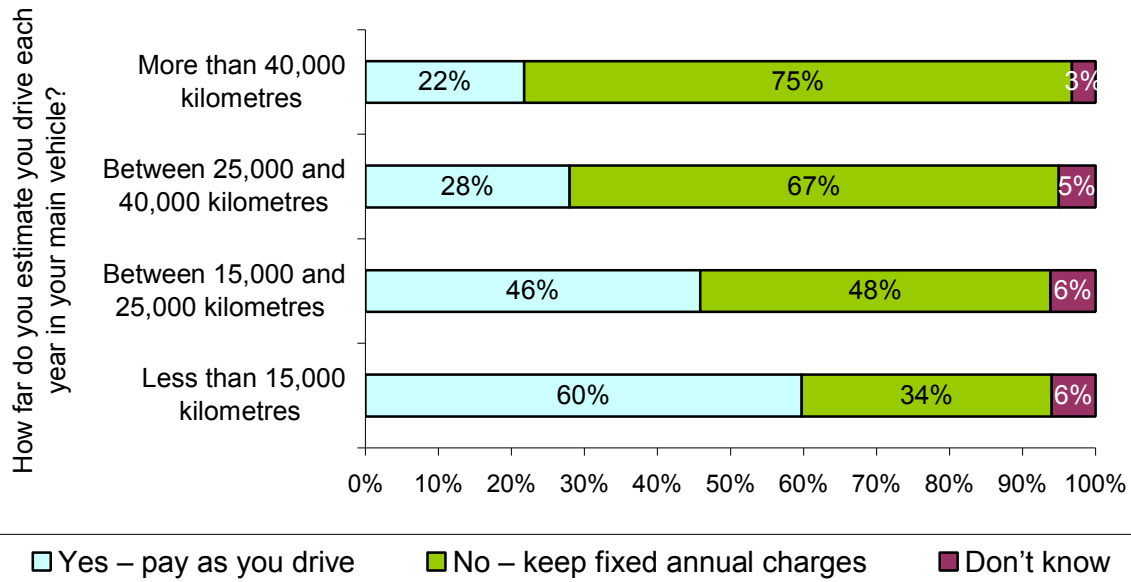
Q: Should fixed annual charges like registration and insurance be charged based on how far you drive?
This would mean that those who drive short distances pay less, and those who drive further pay more?

Yes – pay as you drive No – keep fixed annual charges
 Don't know





Support for fixed charges versus pay as you drive charges, based on driving distance

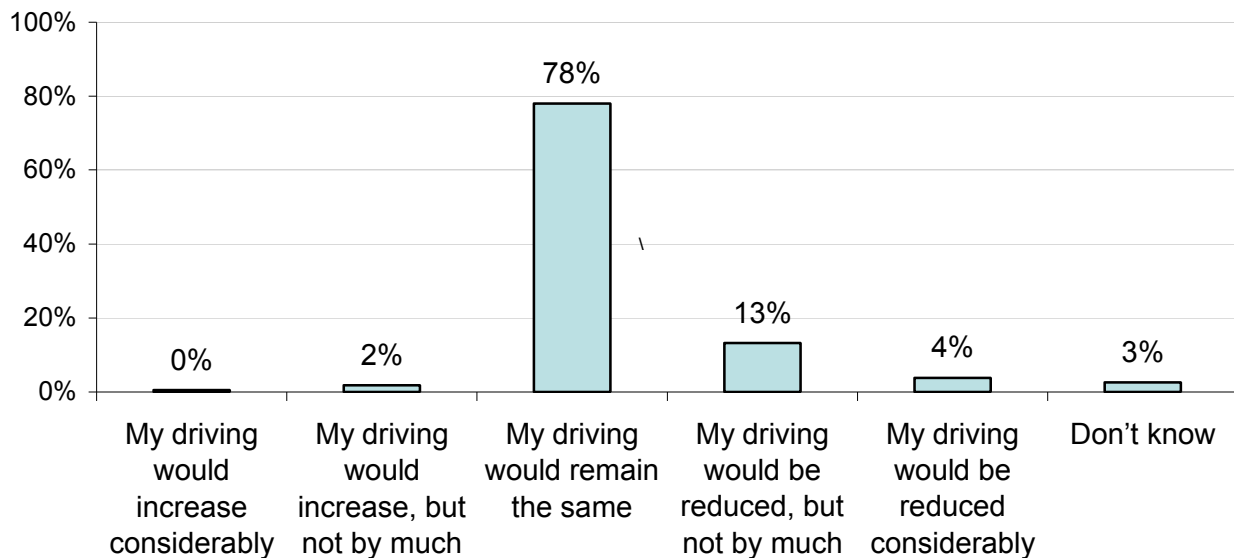


Comments:

- Yearly driving distance has a strong influence on support for fixed annual charges or pay as you drive fees.
- Members driving longer distances prefer to remain with fixed annual charges.
- Nearly two-thirds (60%) of members driving less than 15,000 kilometres a year would welcome pay as you drive fees.

Q: In what way do you think the 'pay as you drive' option would influence the amount of driving you do?

- My driving would increase considerably
- My driving would increase, but not by much
- My driving would remain the same
- My driving would be reduced but not by much
- My driving would be reduced considerably
- Don't know



4.6 Vehicle Fringe Benefits Tax

"...In my experience these [company] vehicles are simply used for executive benefits. The Federal Government should review its position on providing benefits to company cars. I worked for a very large successful company in the US who did not provide any special benefits/car parks for most of the executives. Let them pay for their own car spaces if they want. Too many executive perks that contribute to city congestion."

4.6.1 RACQ Public Policy Issues

Fringe Benefits Tax (FBT) is levied on vehicles provided by an employer for an employee's private use, including those used by an employee under a novated lease arrangement. The statutory formula used to levy FBT is on a sliding scale, decreasing as the distance travelled increases:

Total Annual Kilometres	Statutory Percentage
Less than 15,000	26%
15,000 to 24,999	20%
25,000 to 40,000	11%
More than 40,000	7%

This formula provides a financial incentive for drivers to travel greater distances to reach the next milestone and reduce their tax burden.



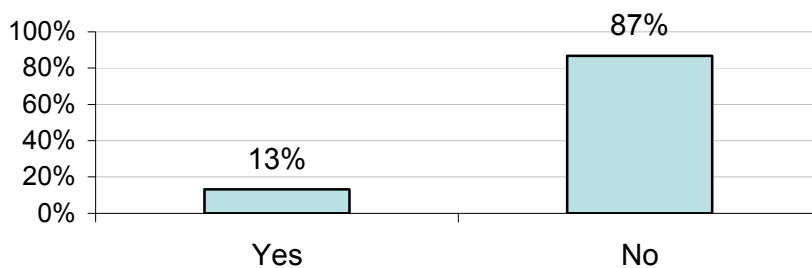
Survey questions were designed to test member support for a single fixed FBT percentage that would eliminate the financial incentive to travel further.

Responses to the FBT questions show that nearly two-thirds (60 percent) of RACQ members would prefer a single FBT percentage to be applied to company or novated lease vehicles. Sixty-two percent of low kilometre drivers were in favour of replacing the existing FBT sliding scale with a single FBT percentage, while nearly half (47 percent) of all very high kilometre drivers supported the change.

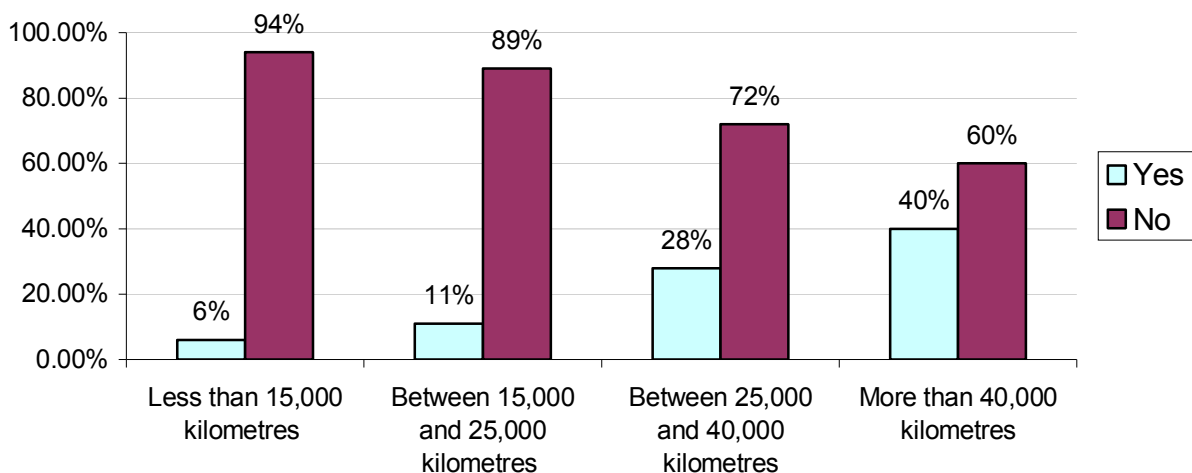
4.6.2 Survey Results

Q: Do you have a company or employer-provided vehicle or a novated lease arrangement?

Yes No



Proportion of company or employer-provided vehicles by distance driven



Comments:

- People who drive greater distances are more likely have a company or employer provided vehicle. Forty percent of respondents driving annual distances greater than 40,000 kilometres have a company or employer provided car, compared to 6% of low kilometre drivers.

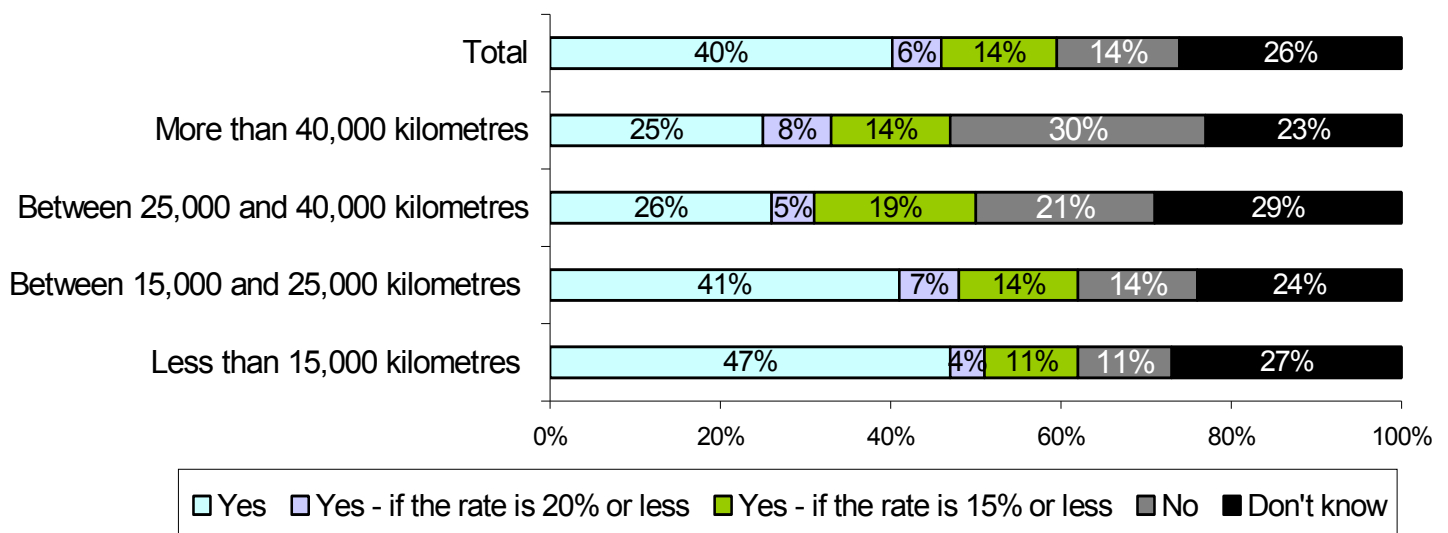


Q: The Federal government has a formula for charging Fringe Benefits Tax (FBT) on employer-provided cars that reduces the tax percentage for those who travel longer distances. For example, under the FBT formula people who travel 25,000 kilometres each year pay an 11% fringe benefits tax rate, while those who travel 10,000 kilometres each year pay 26% fringe benefits tax.

Would you support a single fixed FBT percentage so that there was no tax incentive to drive further?

- Yes
- Yes - if the rate is 15% or less
- Don't know
- Yes - if the rate is 20% or less
- No

Support for a single fixed FBT percentage by distance driven



4.7 Transport Infrastructure Funding

“Let the infrastructure be paid for by the purchasers in the new estates.”

4.7.1 RACQ Public Policy Issues

Investment in road infrastructure has failed to keep up with improved living standards and population growth. This is demonstrated by the worsening urban traffic congestion in South East Queensland.

The Federal fuel excise of 38 cents a litre raises around \$14 billion from motorists each year, however, less than a third of this is returned to fund road infrastructure.



As a result, while the Commonwealth Government provides some road revenue to state and local governments under its Building Australia Program and the Building Australia Fund, the cost of transport infrastructure is largely left to the states and councils, which have a limited revenue base from which to raise funds.

Survey questions were designed to explore infrastructure funding preferences among members, and determine attitudes to further investments in roads as well as public transport, walking and cycling facilities.

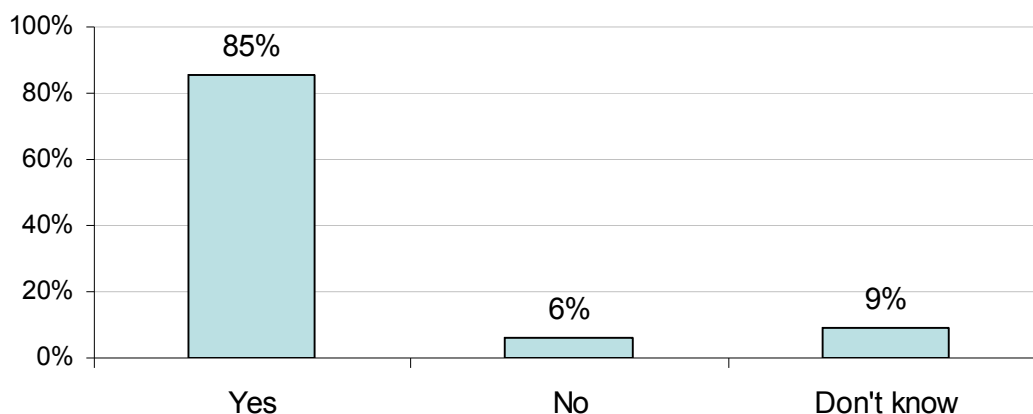
Survey results provide a clear mandate from members for RACQ to continue advocating for greater funding of transport infrastructure. More than eight in ten members (85 percent) want to see more money spent on transport infrastructure and most (68 percent) believe roads should receive the highest priority.

Among the various transport modes, members strongly supported greater priority being given to roads over trains, buses, walking and cycling. Two-thirds (68 percent) of respondents ranked roads as the number one priority. Trains were the next priority, receiving 17 percent of first rankings. Buses were ranked first by 9 percent with walking and cycling facilities ranked first by 6 percent.

The preferred option for funding additional roads and public transport was to increase developer contributions or redirect government taxes. Respondents were particularly opposed to increasing vehicle registration (77 percent opposition), fuel excise (63 percent opposition) and public transport fares (62 percent opposition).

4.7.2 Survey Results

Q: Should more money be spent on transport infrastructure?	
<input checked="" type="radio"/> Yes	<input type="radio"/> No
<input checked="" type="radio"/> Don't know	

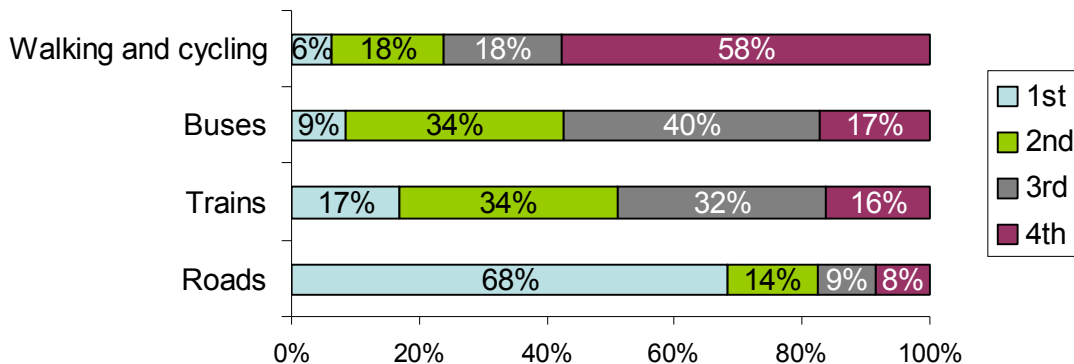




Q: Please rank the following transport types in order of which should get more attention or priority than they currently receive.

1 is the most important to you and 4 the least important

Roads	<input type="text"/>	Trains	<input type="text"/>
Buses	<input type="text"/>	Walking and cycling paths	<input type="text"/>



The next few questions are about possible ways to generate more funding for transport infrastructure by redirecting or raising existing charges.

Please read the short descriptions of each before answering the questions.

Redirect Government taxes

The Federal and State Governments generate tax revenue in many ways, including income tax, corporate tax, GST, fuel excise, etc. Government could direct more existing funds to road and public transport improvements but this would come at a cost to other government services.

Increase fuel excise

Net fuel excise in Queensland is about 30 cents a litre plus GST. This is a higher excise than in the USA but lower than in Europe. An increase in fuel excise would provide funding to improve our roads and public transport but it would mean all drivers have to pay more for fuel.

Increase vehicle registration and stamp duties

The Queensland Government charges annual car registration fees and stamp duties upon sale for all cars. The charges are higher for cars with more cylinders. An increase in registration or stamp duties would provide more funding for roads and public transport improvements but all car owners would have to pay extra, regardless of how much they drive.

Increase developer contributions

Local and State Government charge developers to help fund transport infrastructure when they build new homes and units. These charges could be increased to raise more revenue for roads and public transport improvements. This may increase the price of new homes and units.

Increase public transport ticket fares

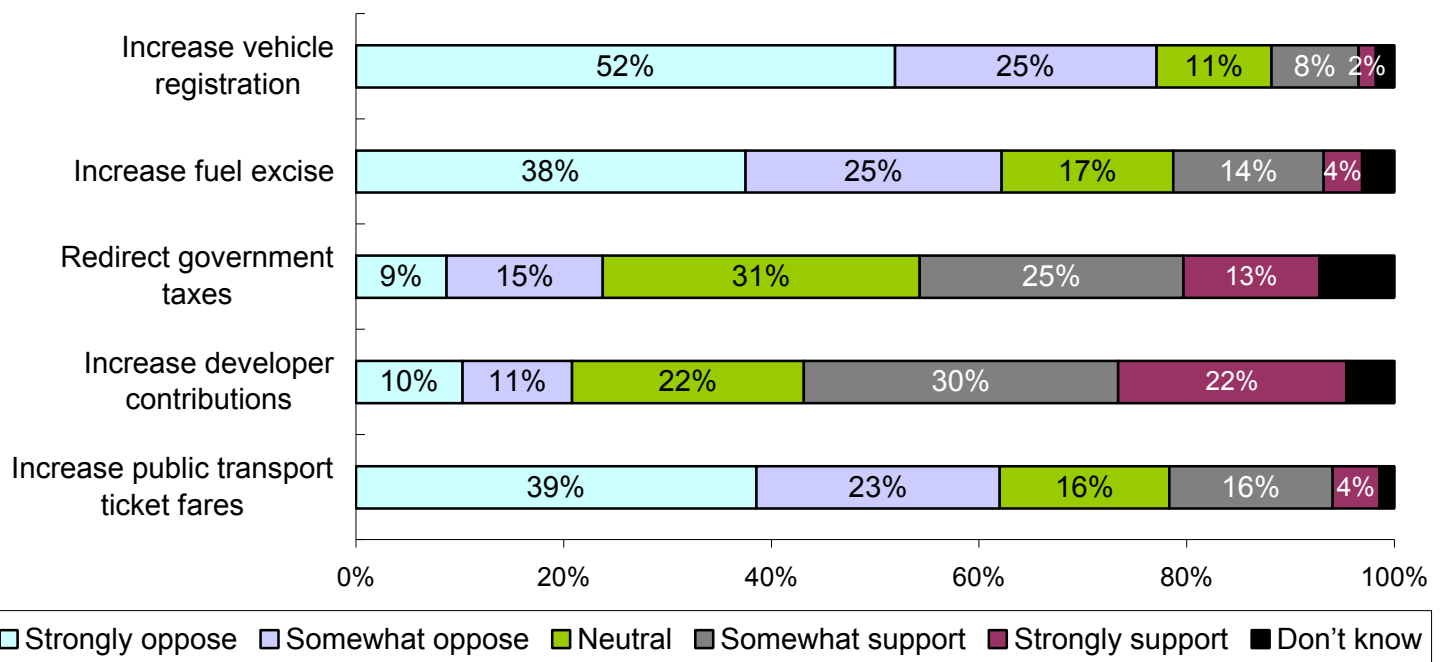
The Queensland Government subsidises about half the operating cost of public transport services, with the remainder of the funds coming from ticket fares. These fares could be increased to pay more of the costs so government can put more money instead toward road and public transport improvements. The increase in ticket fares may slightly reduce the number of people using public transport.



Q: Please indicate how much you support or oppose each of the options described previously to fund road and public transport improvements.

If you can, please also explain briefly your most important reasons for supporting or opposing each option:

Reason



A sample of member comments on “**Redirect government taxes**” are shown below:

“For too long road development and spending on public transport has been neglected. This now means that a large injection of cash is needed at once rather than spreading over time.”

“Govt already gets enough from fuel gst and car rego and all money collected from these should go to road improvements.”

“Road taxes should go to road improvement.”

“A good idea, but from where should the taxes be redirected? Other critical services are equally as short of funds.”

“I would prefer transport infrastructure as an investment as opposed to, for example, new football stadiums, although not at the expense of health care and hospitals.”

“We spend enough on main roads and infrastructure as it is.”



A sample of member comments on **“Increase fuel excise”** are shown below:

“Pay too much for fuel currently..with planned abolition of qld fuel subsidy cannot warrant this.”

“Firstly, it is inflationary all round. Secondly, it's robbing Peter to pay Paul. And thirdly, people are fed up with being ""robbed at the Pump""!”

“We pay enough.fuel companies are short changing us already.”

“Many rural people have to travel long distances in their own transport because of no option; they would be disadvantaged and less likely to stay rural.”

“Excise is high enough already”

“It would be painful for motorists but at the same time make people think about the driving they do and how they can cut back by using some alternative means of transport.”

“If fuel cost more car owners would be less likely to drive unnecessarily, however then the roads probably wouldn't need as much attention either, due to less use.”

“May help encourage use of public transport, cycling.”

“I believe in user-pays. I support fewer vehicles on the roads and more public transport (even though I don't use it!).”

“This would source the funding from the people who use the roads the most”

A sample of member comments on **“Increase vehicle registration and stamp duties”** are shown below:

“No as all these increases will really make it to expensive for anyone to own a vehicle. Then we will have less people on the roads, travelling and this will impact on a lot of services etc.”

“Increase financial burden on lower income families already under financial hardship.”

“Increase fees for larger vehicles in urban areas.”

“As a disabled driver living in the country with no support or alternatives to getting from one place to another all these incentives are no issues to me as I would still need to travel by car wether increases to all aspects are implemented as again I don't have choices to modes of travel.”



"I don't think it's fair to increase vehicle registration costs, because some people may have a car but only drive it minimally."

"While this might encourage some people to do without a car, I suspect that it won't have a major effect. Rather, it will simply annoy people at the time of purchase and each year when the rego bill comes through."

"Base registration on engine cubic capacity and on distance travelled."

A sample of member comments on **"Increase developer contributions"** are shown below:

"Developers have created much of the current unsustainable suburban sprawl, with little supporting infrastructure. Most people are building huge inefficient houses on the urban fringe, so a little more on the top to provide services would be appropriate."

"Developers are making money on each project. they should contribute more to roads in the area."

"As long as developers don't try to cut corners with quality and safety to ensure they get jobs completed quickly or with less expense."

"This would raise the cost of housing and make it more difficult for young people with families to purchase a home."

"Homeowner's will have to pay the costs."

"As long as it is not from Motorists"

"Downside - makes development dearer, upside - make transport solutions more practical."

A sample of member comments on **"Increase public transport ticket fares"** are shown below:

"Any increase should be accompanied by providing better service & value to the public."

"The cost of public transport should be lowered to encourage more people to use public transport instead of driving. Have clean and on time transport that is reliable. Have more public transport to handle more people and get more people moving to their destination quickly will encourage the use of public transport."

"Make public transport free, but only on major roads so that less roads need to be maintained, therefore saving money."



"We should be making public transport more attractive and not more expensive."

"People will not use public transport and the roads will become even more congested and dangerous."

"Its cheap and could handle the slight increase provided pensioners weren't charged extra."

"I am in favour as public t/sport could be raised slightly. even with a slight increase it still is more viable than private transport but take in consideration of the invalids or elderly."

"Honestly, I can not see how increasing everything is going to fix our road problems."

"People won't pay the exorbitant prices now. It is cheaper for my daughter and her hubby to take the car to work in Brisbane than catch the train. That is garbage. The govt are not fair dinkum about people using public transport."

4.8 Road Pricing Options

"Tolls on new roads discourage people to use them, which defeats the purpose of the new road."

4.8.1 RACQ Public Policy Issues

A result of the lack of Federal funding for urban transport infrastructure has been the introduction of toll roads into the faster growing capital cities. The RACQ believes that tolling new roads is not the most effective way to deliver optimal transport outcomes for the community. It is inefficient to place tolls on our newest and best urban roads, thereby diverting potential users back onto the surrounding road network.

By discouraging the use of new, high quality infrastructure, tolls increase congestion on alternative routes. This increases fuel consumption and greenhouse emissions as price-sensitive drivers detour on to less suitable roads in the network. In addition, because toll roads prioritise financial returns over economic performance, they reduce overall benefits to society.

Increasing city parking charges or introducing parking levies are sometimes promoted to reduce the number of cars entering the central business district (CBD). In terms of congestion reduction, this is a poor policy instrument. Increased parking fees might deter some motorists from parking in the CBD, but this has no real impact on reducing through traffic. It also increases circulating traffic as drivers go around city blocks searching for cheaper on-road parking spots.

Unlike toll roads and parking levies, inner-city congestion charging has been shown to effectively reduce congestion in city areas. This pricing system can focus variable



charges where congestion is worst and encourage the efficient use of existing road and public transport capacity.

The current Henry tax review has put congestion charging and road pricing on the political agenda. This section of the survey tests the degree of support and opposition to charging motorists via road tolls, inner city congestion charges and parking levies.

There is more support for an inner city congestion charge than for CBD parking levies or road tolls. Half the survey respondents (50 percent) support inner city congestion pricing, followed by 44 percent support for road tolls and 39 percent for parking levies. These results were relatively consistent across regions.

The level of strong opposition is similar for all three charging methods (at 16 to 17 percent), but the level of strong support is substantially higher for inner city congestion charging (21 percent) than road tolls (11 percent) or CBD parking levies (14 percent).

4.8.2 Survey Results

The next few questions are about three possible ways of charging motorists in Brisbane. Please read the short descriptions of each before answering the questions.

Road Tolls

These are charges for the use of a new road, tunnel or bridge where motorists are charged electronically through an e-tag on the car. The charges repay the loans that funded the road project. Without the tolls the new road may not have been built. However, the charge discourages some traffic from using the new road, so more motorists continue to use the congested surrounding road network.

Inner City Congestion Charges

These are charges for entry to a congested inner city area, such as the Brisbane CBD, where most people will have a possibility of using public transport or a free bypass road. It would use the same technology as road tolls and the revenue would fund road and public transport improvements. These charges reduce congestion more than road tolls. However, some existing free inner city roads would have charges.

CBD Parking Levies

Sydney, Melbourne and Perth have levies on car parking spaces in their city centres. These increase the cost of parking and provide revenue for transport improvements. However, they do not charge as many people as road tolls or congestion charges and do not raise as much revenue. Parking levies only target people parking in the city centre where public transport services are best. However, they will have little impact on congestion, as car-parking rates are already expensive.



Q: Please indicate how much you support or oppose each of the charge types described.
 If you can, please also explain briefly your **most important reasons** for supporting or opposing each charge type.

Road Tolls

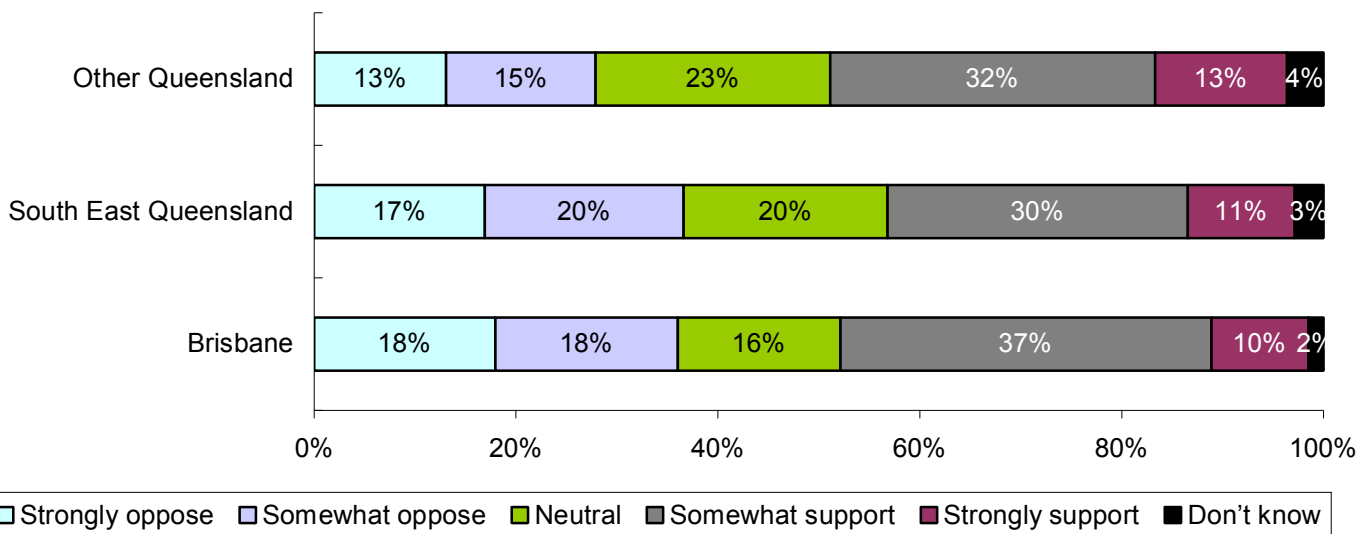
Please click [here](#) if you wish to see the description of **Road tolls** again.

Please use the scale below

Strongly oppose Somewhat oppose
 Neutral Somewhat support
 Strongly support Don't know

Reason

Support for road tolls by region



A sample of member comments on “**Road Tolls**” are shown below:

“We pay money for roads through vehicle registration. Paying tolls is like paying for things twice. There are not enough options in Brisbane therefore I object to paying the tolls as it is like there is no choice.”

“Tolls will increase rat running...”

“I do not live in Brisbane but wouldn't like to be paying lots of tolls to use roads if I did.”

“If the government wants us to use toll roads then make it cheaper! We already pay enough in tax, registering vehicles and more.”



"I believe that most motorists would avoid the use of Tunnels etc if the cost is increased and this would defeat the purpose for which they are being built."

"I support the toll but think it is too high."

"It is necessary to pay for the new infrastructure."

"I don't think tolls are that bad. Perhaps regular users could get a discount. We need to raise money somehow."

Q: Please indicate how much you support or oppose:

Inner City Congestion Charges

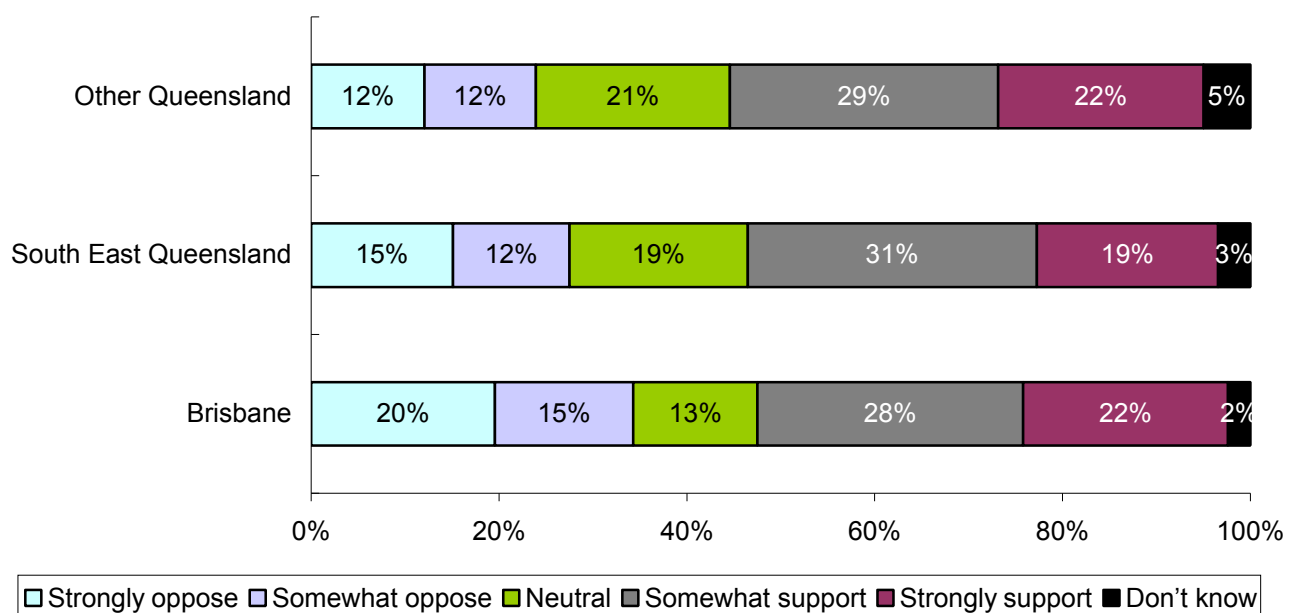
Please click [here](#) if you wish to see the description of **Inner City Congestion Charges** again.

Please use the scale below

<input type="radio"/> Strongly oppose	<input type="radio"/> Somewhat oppose
<input type="radio"/> Neutral	<input type="radio"/> Somewhat support
<input type="radio"/> Strongly support	<input type="radio"/> Don't know

Reason

Support for inner city congestion charges by region





A sample of member comments on “**Inner City Congestion Charges**” are shown below:

“Not a bad idea. Public transport into the city is not a bad idea. People could drive to a train station or bus depot and travel via public transport into the city.”

“I don’t live in the city, go for it.”

“Would need to know more about it, and if it only applied during working week, not at night or weekend, I would support it. would say bowen bridge road and straight across the story bridge incur the charge, if you were just going to the southside from the north and not going into the city.”

“Yes but funds should be directly returned to public transport.”

“I have to say here I work for a medium sized transport company, our drivers are constantly being penalized for attempting to deliver their consignments. Private cars should be directed around the inner city.”

“Hopefully it would encourage more people to use the public transport, and hopefully this would also reduce green house emissions.”

“Due to the lack of ring roads around Brisbane you sometimes you have to go through the City.”

“I live in the inner city and to be charged to use my local roads, to travel to my nearest shopping centre etc is completely unfair. Why not charge those that congest roads at other locations ie Chermside, Ipswich motorway, kessels Rd etc.”

“We don’t have the population of London. It would be purely money grabbing. More Public Parking should be provided.”

“Public transport is not good enough to keep cars out of the city centre.”

Q: Please indicate how much you support or oppose:

CBD Parking Levies

Please click [here](#) if you wish to see the description of **CBD Parking Levies** again.

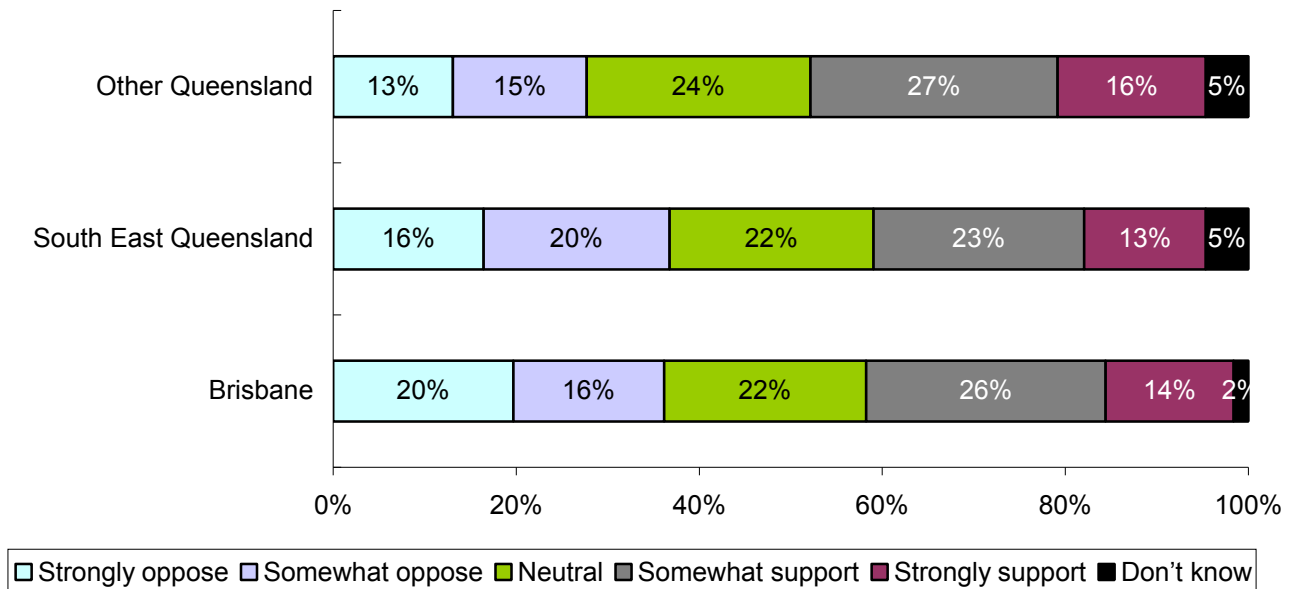
Please use the scale below

- | | |
|--|--|
| <input type="radio"/> Strongly oppose | <input type="radio"/> Somewhat oppose |
| <input type="radio"/> Neutral | <input type="radio"/> Somewhat support |
| <input type="radio"/> Strongly support | <input type="radio"/> Don't know |

Reason



Support for CBD parking levies by region



A sample of member comments on “**CBD Parking Levies**” are shown below:

“Let's just close down the CBD!!! It's so bloody hard to park already, I am surprised there isn't more opposition from retailers.”

“I think if people have to pay more for parking, they will be more reluctant to drive in.”

“There are already parking fees and fines which raise plenty of revenue for the government any more fees and people would be disgusted at the level of greed.”

“Already quite expensive and will not necessarily decrease CBD traffic.”

“Car parking is expensive as it is. Public transport is not as convenient and readily available as the Government likes to think. How many trains run from the Gold Coast at 5.00am in the morning for me to get to work by 6.00am?”

“If you don't want to pay the high parking charges then use public transport in these “areas.”

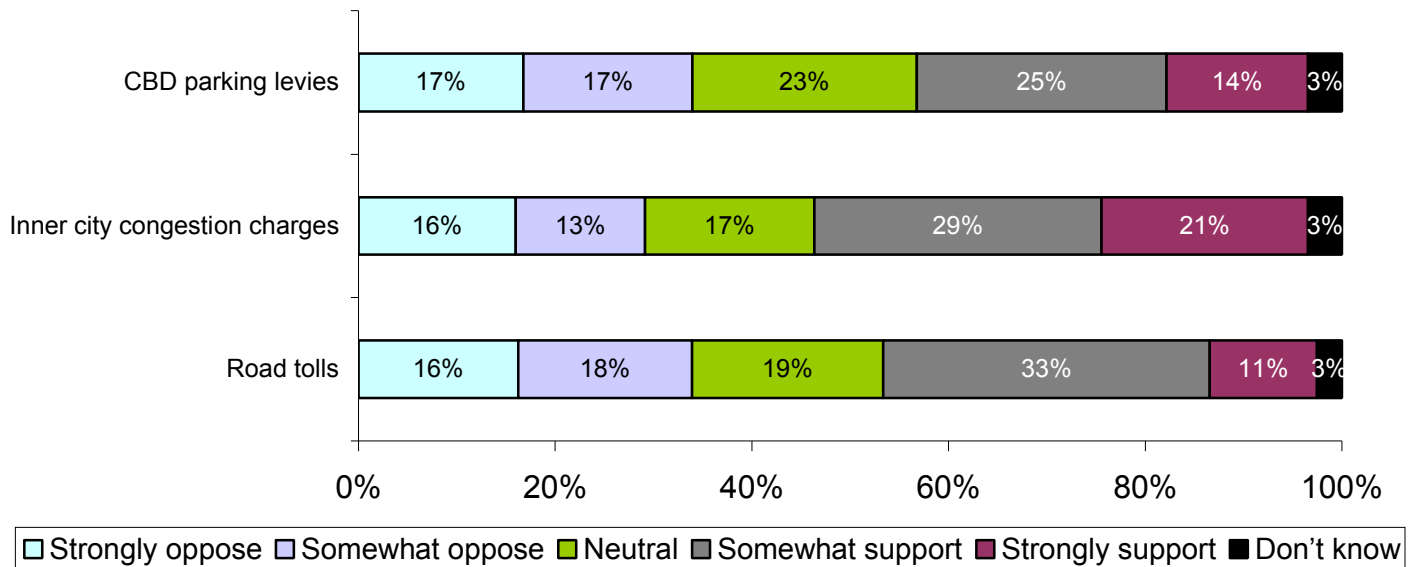
“Bad incentive for out of town people to visit brisbane cbd.”

“These levies are a “rip off”. No one can proof that they are being used to help with improvements and not channelled into other useless projects.”

“As long as they are safe and protected i don't mind paying for a good parking spot. some places are just not save to park in.”



Support for charging methods compared



4.9 Inner City Congestion Charging

“This concept [inner city congestion charging] has been proved to work in other cities around the world. It does however require supporting infrastructure such as fringe area parking and a well developed public transport network to service the inner city areas. London and Singapore are two familiar examples.”

4.9.1 RACQ Public Policy Issues

In recent years a number of cities have implemented various forms of congestion charging, including London, Singapore and Stockholm. Traffic volumes, travel times and carbon emissions have been reduced and replaced by increased walking, cycling and public transport usage within the charging zones.

Inner city congestion charging receives greater community support when consumers are given sufficient alternatives to avoid the congestion charge and understand the associated benefits through reduced congestion. To achieve this, an inner city congestion charge would need accompanying measures that improve public transport and provide free bypass roads.

Congestion charging can moderate traffic flow by varying prices by location, direction of travel and time of day. This raises practical implementation questions such as when congestion charging should apply, where it should apply, and how much the charge should be. The survey asked questions to address these issues and to assess the perceived extent of transport mode shift.



The survey found that 57 percent of respondents agreed that a congestion charge would improve traffic flows, and just over half our members (54 percent) consider a charge of \$5 a day to be reasonable. Most of the members willing to pay a congestion charge wanted to see the charge operating from 6.30am to 6.30pm weekdays (36 percent) or during morning and afternoon peak hours only (25 percent).

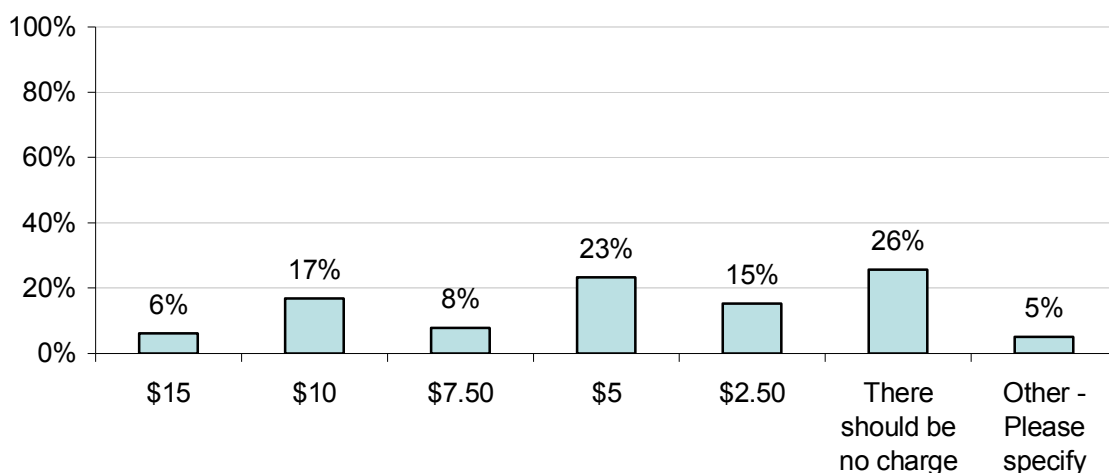
If Brisbane had a congestion charge, members would most likely consider taking public transport to avoid paying the charge (76 percent). Following this, 48 percent of people would consider changing where they shopped or dined out, 42 percent would look at car pooling and 40 percent would consider changing their travel times (40 percent).

On all congestion charging questions, the results for Brisbane members was consistent with other South East Queensland members as well as the overall total for all members.

4.9.2 Survey Results

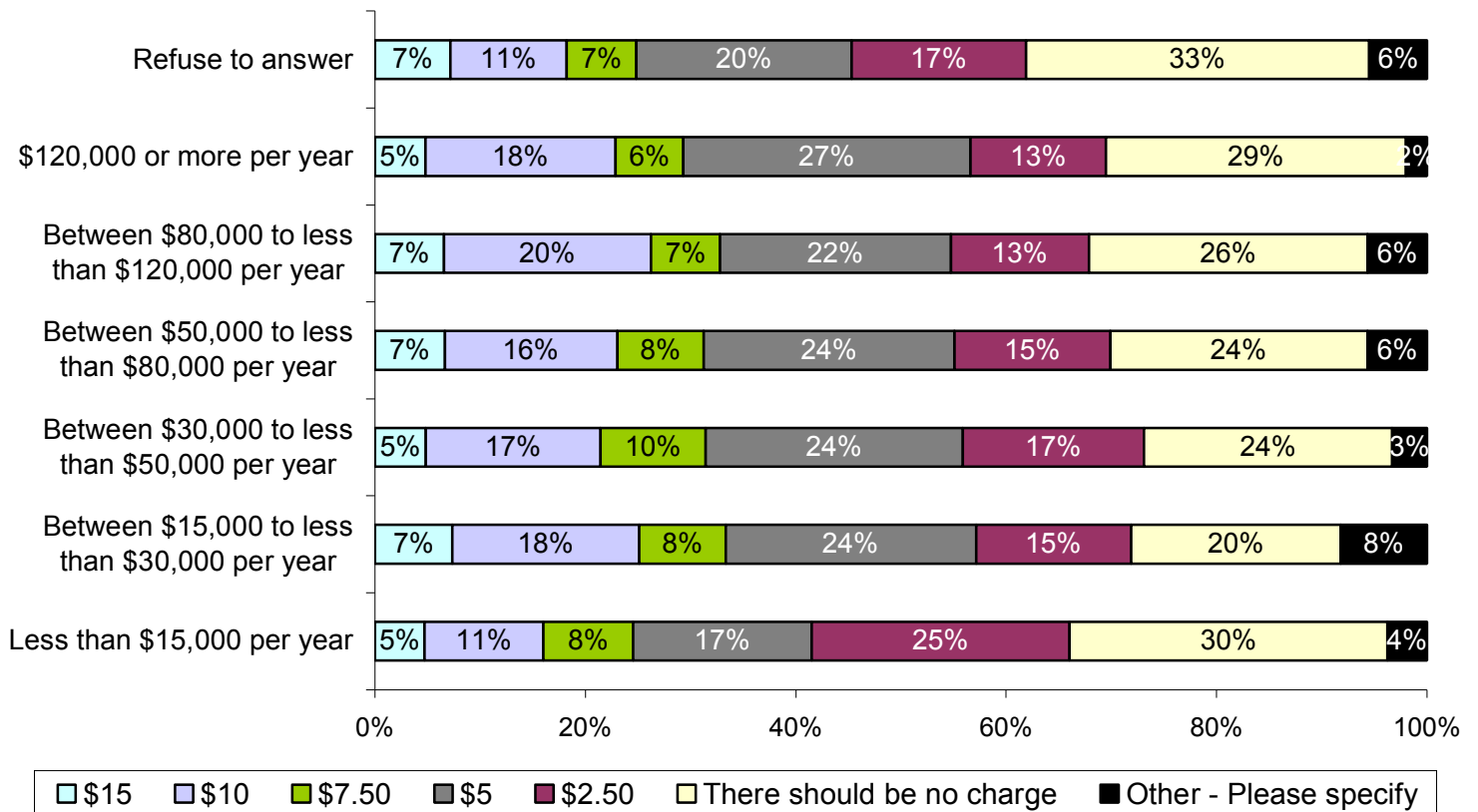
Q: If an inner city congestion charge was implemented in Brisbane, what would be a reasonable maximum daily amount, noting that higher charges mean a greater reduction in congestion?

- \$15
- \$7.50
- \$2.50
- Other – Please specify
- \$10
- \$5
- There should be no charge





Inner city congestion charge amounts by income

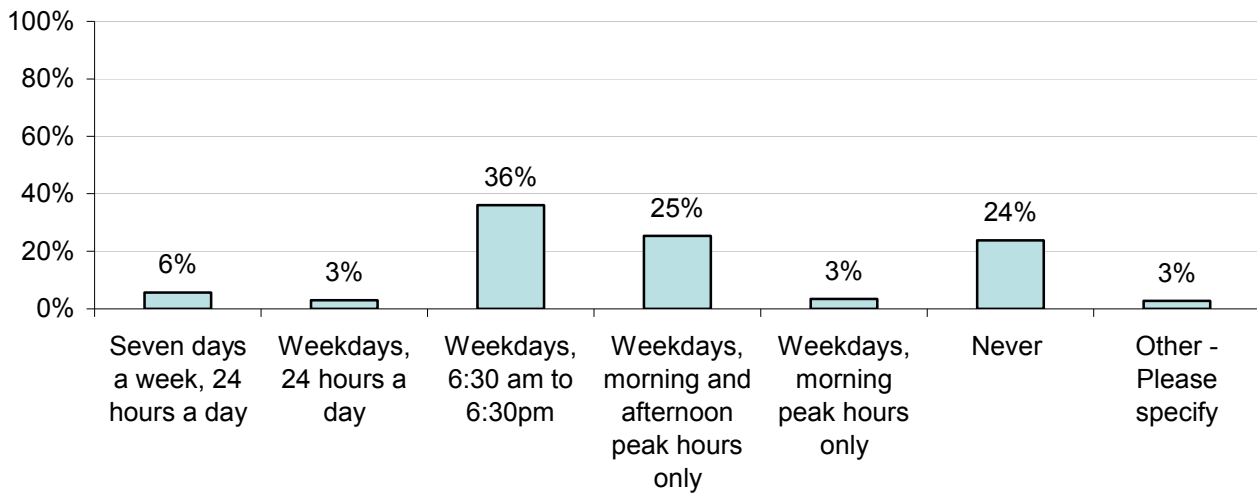


Comments:

- Surprisingly, there was no significant correlation between household income and support for maximum daily charges. This could be due to the lower income households perceiving less need to enter the inner city area by car.

Q: Should an inner city congestion charge apply:

- Seven days a week, 24 hours a day
- Weekdays, 24 hours a day
- Weekdays, 6:30 am to 6:30pm
- Weekdays, morning and afternoon peak hours only
- Weekdays, morning peak hours only
- Never
- Other – Please specify



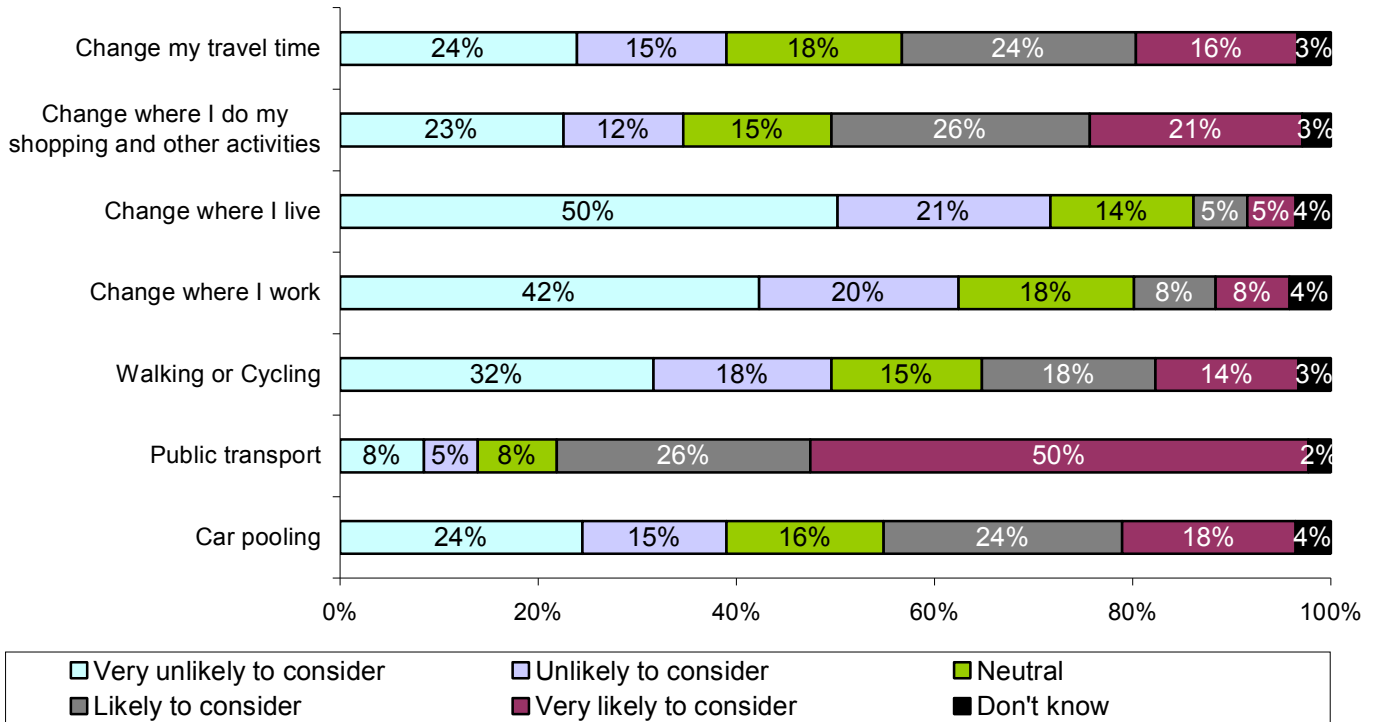
Q: If Brisbane had congestion charging from 6:30am to 6:30pm on weekdays, would you consider the following options to avoid driving into the CBD or paying the congestion charge?

Please rate every option using the scale below

	Very unlikely to consider	Unlikely to consider	Neutral	Likely to consider	Very likely to consider	Don't know
Car pooling	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Public transport	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Walking or cycling	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Change where I work	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Change where I live	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Change where I do my shopping and other activities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Change my travel time	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

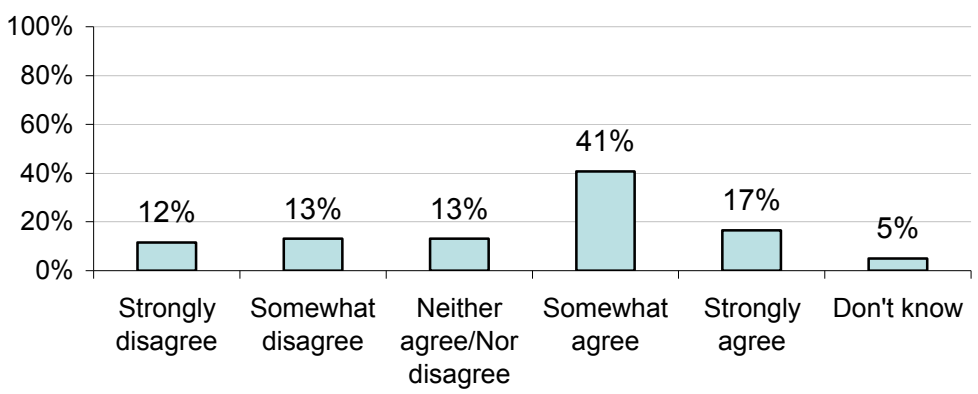


Options to avoid paying a congestion charge



Q: To what extent, do you agree or disagree that an inner city congestion charge would reduce congestion in Brisbane?
 Please use the scale below

- Strongly disagree
- Somewhat disagree
- Neither agree/Nor disagree
- Somewhat agree
- Strongly agree
- Don't know





Q: And finally, is there any specific information about motoring costs and taxes that you think RACQ should be providing you with?

A sample of member comments are shown below:

"I get provided with a quite adequate amount."

"No, can't think of any and we have been very happy with all our insurances and road services these past 24 years. Thanks for great service."

"Charts outlining annual Spending of individual council/gov bodies on the roads in their area - vs - the revenue accumulated in same area."

"List of pending roadwork projects and target completion dates - vs - actual works carried out and completion dates."

"What percentage of funds are spent on country roads compared to Brisbane."

"Petrol and diesel excise and keep on harassing the government."

"How to budget for ALL the costs associated with running a Motor vehicle. Possibly based on \$ per Km."

"NOT REALLY, BUT WE NEED BETTER ROADS BETWEEN ROCKHAMPTON AND TOWNSVILLE NOT JUST AROUND BRISBANE."

"No, just fight for our rights. It is just costing us so much to have and run a car, then we probably not going to even be able to afford visit the city. I know I shall have to quit my two jobs if they happens."

"RACQ is awesome and we appreciate the service. Rego should go down not up and I hope this survey can convey this message to our Government. NO REGO INCREASE FOR QLD! There are obviously other alternatives.:"

"Better web site integration with mobile devices ie. iPhone."

"Cheaper fuel and registration."

...End