

Public Road-related Expenditure and Revenue in Australia 1999

- Ownership and control of the road system lies with the states and territories. However, road expenditure in Australia is financed by all three levels of government. At present, the Commonwealth Government's direct road funding responsibilities are the construction and maintenance of the 18,700 km National Highway System, contribution to the construction of Roads of National Importance (RONIs) and the Federal Road Safety Black Spot Program. The Commonwealth Government also supplements State and Territory expenditure on arterial and local roads through untied grants identified for expenditure on roads.
- The total amount of road-related expenditure by the Commonwealth, State, Territory and Local governments in 1997-98 was \$7.0 billion.
- Revenue collected by the Commonwealth, State and Territory governments from a selection of motor vehicle taxes and charges in 1997-98 was \$13.7 billion.
- The presentation, in this Information Sheet, of government road-related expenditures together with motor vehicle revenues does not imply that there is, or should be, any direct linkage between the two. On the contrary, revenue collected by governments from most taxes and charges on motor vehicles is paid into consolidated revenue accounts, along with income from other sources.
- Between 1995-96 and 1997-98, the BTE index of the prices for inputs to road construction and maintenance increased by 1.8 per cent, while road-related expenditure increased by 19.4 per cent. Much of the increase in government expenditure during this period was therefore 'real' rather than inflation-related.

GOVERNMENT FUNDING OF ROAD-RELATED EXPENDITURE 1988-89 TO 1998-99

(\$million)

Government	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99 ^a
Commonwealth ^b	1232.3	1358.0	1595.9	1720.4	2177.0	1552.2	1535.5	1601.7	1622.8	1635.8	1711.7
State ^c	1602.7	1907.8	2223.8	2046.5	1877.8	2207.1	2264.3	2616.5	2904.9	3378.5	na
Local ^c	1431.4	1635.1	1556.2	1570.4	1705.6	1636.5	1503.1	1654.3	1845.0	1999.7	na
Total	4266.5	4900.9	5375.9	5337.3	5760.4	5395.8	5302.9	5872.5	6372.7	7014.0	na

Note Differences in State and Local figures between this table and the corresponding table in the previous Information Sheet (BTCE Information Sheet 11, March 1998) reflect further improvement in the treatment of data at the State government level by the Australian Bureau of Statistics (ABS), as well as the introduction of accrual accounting which has resulted in driver licence fees being offset against road expenditure.

na not available

a. Commonwealth Budget estimates.

b. Figures provided by the Department of Transport and Regional Services (DoTRS).

c. Figures provided by ABS.

Sources ABS (1998a); BTCE (1998); DoTRS(1999).

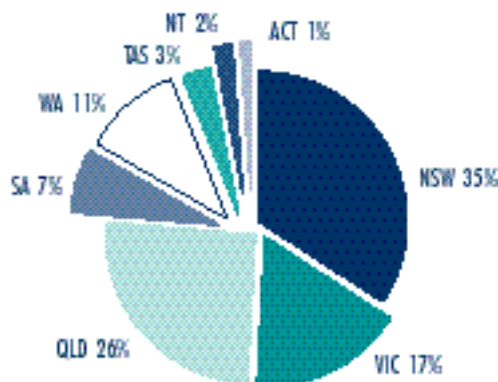
BTE ROAD CONSTRUCTION AND MAINTENANCE PRICE INDEX

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98
Index	86.1	89.5	96.2	97.0	98.8	100.0	102.3	102.9	104.2	104.7

Note The figures before and after 1993-94 are not strictly comparable due to differences in computational procedures. The 1997-98 figure is preliminary, subject to a possible revision of some of the component indexes.

Sources ABS (1999a); ABS (1999b); ACCC (1999); BTCE (1997); Shell Australia (1999).

ROAD-RELATED EXPENDITURE BY THE STATES AND TERRITORIES



New South Wales, Queensland and Victoria account for most of the road-related expenditure in Australia. Including Commonwealth grant money, they spent \$2.4 billion, \$1.8 billion and \$1.2 billion respectively in 1997-98.

Proportions of total State and Territory expenditure on roads 1997-98

Percentages do not add to 100 due to rounding

COMMONWEALTH ROAD EXPENDITURE BY PROGRAM AND ROAD CATEGORY 1987-88 TO 1999-00

Australian Land Transport Grants, amounting to \$814.9 million in 1997-98, are the largest single source of road funds provided by the Commonwealth to the states and territories.

Item	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99 ^a	1999-00 ^a
(\$ million)													
ROAD PROGRAM DISTRIBUTION													
Grants													
Australian Bicentennial													
Road Development ^b	431.0	248.3	..	..	..	..	..	..	..	..	..	..	..
Australian Land Transport Program	763.3	425.6	..	..	..	..	..	..	..	..	..	..	..
Australian Land Transport Development ^c	..	518.6	1335.1	1381.4	1092.3	1451.2	1014.8	816.1	831.3	801.2	814.9	874.1	766.9
Urban Public Transport	49.2	24.7	..	42.2	86.2	93.2	..	..	..	..	..	..	..
Federal Interstate Registration Scheme (FIRS) 4.2	10.8	..	17.1	14.5	15.9	17.0	20.3	23.6	29.3	20.1	17.8	20.3	15.3
Provincial Cities and Rural Highways (PCRH)	..	..	..	87.6	94.5	83.5	..	..	..	..	..	..	..
Black Spots Program	..	..	..	50.0	60.0	160.1	..	..	..	36.0	35.6	37.4	37.8
Research	4.1	4.3	5.8	9.2	9.8	9.3	8.8	9.1	6.8	8.3	6.0	5.5	4.4
Other ^d	..	..	..	11.0	361.7	362.6	508.3	686.8	734.2	757.3	761.4	774.4	797.1
TOTAL	1251.9	1232.3	1358.0	1595.9	1720.4	2176.9	1552.2	1535.5	1601.7	1622.8	1635.8	1711.7	1621.5
ROAD CATEGORY DISTRIBUTION													
National roads	549.2	486.6	523.2	554.2	656.9	868.2	786.2	816.1	831.3	801.2	814.9	873.7	766.9
Arterial roads ^e	391.9	433.4	508.8	503.4	435.5	583.1	403.6	350.0	371.0	383.4	391.0	397.1	408.8
Local roads ^f	253.2	272.6	303.1	323.8	352.7	362.6	333.3	336.8	358.0	373.9	370.4	377.7	388.3
Unallocated ^g	57.6	39.7	22.9	214.5	275.3	363.0	29.1	32.6	41.4	64.4	59.4	63.2	57.5
TOTAL	1251.9	1232.3	1358.0	1595.9	1720.4	2176.9	1552.2	1535.5	1601.7	1622.8	1635.8	1711.7	1621.5

.. Not applicable

a. Estimates. Figures were sourced from 1999-2000 Commonwealth Budget papers and DoTRS records. Note that \$55m has been brought forward from 1999-2000 to 1998-99.

b. Includes expenditure on urban public transport.

c. PCRH and Black Spots Programs funded through the ALTD Program (levels excluded from ALTD total).

d. Includes Commonwealth funding for urban public transport in 1990-91, 1991-92 and 1992-93. Also includes 'identified road grants' and 'identified local road grants' paid to the States and Local government respectively for roads.

e. From 1 January 1994, Commonwealth funding has been provided to the states as identified funding for arterial roads.

f. From and including 1991-92, Commonwealth funding has been provided to Local governments as identified funding for local roads.

g. Includes FIRS expenditure, sundry expenditure such as road safety, and expenditure for programs such as Black Spot, Provincial Cities and Rural Highways, and public transport.

Note Figures may not add to totals due to rounding.

Sources DoTRS (1999); Commonwealth of Australia (1999).

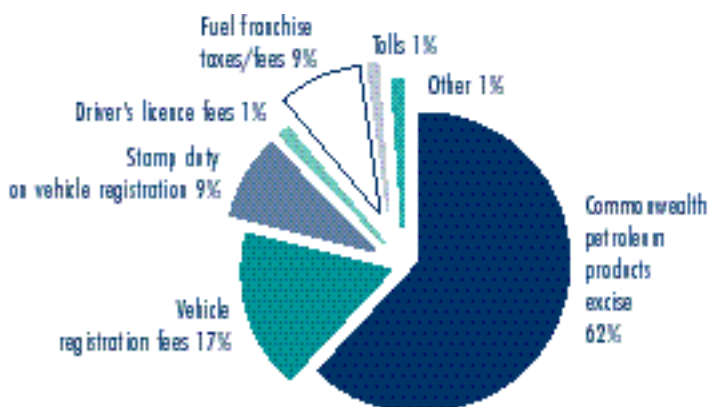
TOTAL ROAD-RELATED EXPENDITURE
BY STATE/TERRITORY
1988-89 TO 1997-98

	(S million)									
Government	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98
NSW	1475.5	1768.8	2238.4	2219.8	2089.3	2030.6	1858.2	2019.1	2314.7	2428.5
VIC	960.2	995.0	944.8	945.7	1130.9	1005.6	1119.0	1059.1	1112.9	1179.6
QLD	851.4	995.3	1054.3	1041.6	1209.3	1147.9	1189.3	1394.8	1632.6	1824.8
SA	294.2	326.5	340.7	322.9	374.8	359.9	346.9	395.4	391.1	506.1
WA	400.7	438.4	445.0	480.6	580.6	498.5	504.3	688.9	597.5	741.8
TAS	154.4	164.4	147.6	142.3	170.2	156.7	157.2	173.3	181.2	178.7
NT	130.1	103.4	107.2	84.8	119.6	129.5	92.8	107.7	111.5	119.6
ACT	..	109.2	97.9	99.6	85.8	67.1	35.2	34.2	31.2	34.9
TOTAL	4266.5	4900.9	5375.9	5337.3	5760.4	5395.8	5302.9	5872.5	6372.7	7014.0

Note Figures may not add to totals due to rounding.

Sources ABS (1998a); BTCE (1998a); DoTRS (1999).

MOTOR VEHICLE REVENUE



Selected motor vehicle taxes and charges 1997-98

The Commonwealth and State and Territory governments levy taxes and charges on motor vehicle users in Australia. The total amount raised in 1997-98 was \$13.7 billion, of which \$8.5 billion (62 per cent) was from Commonwealth petroleum products excise duty. In 1997-98, State and Territory governments raised \$2.3 billion (17 per cent) from vehicle registration fees, their largest source of motor vehicle revenue. Stamp duty collected on vehicle registration fees raised \$1.3 billion, and fuel franchise fees also raised \$1.3 billion.

Following the High Court judgement in *Ha and Lim v New South Wales* and *Walter Hammond and Associates Pty Ltd v New South Wales* delivered on 5 August 1997, the Commonwealth has, since 7 August 1997, collected 8.1 cents per litre in additional excise on petrol and diesel. The additional excise is collected on behalf of the States and Territories and is returned to them.

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**SELECTED MOTOR VEHICLE TAXES
AND CHARGES
1988-89 TO 1998-99**

(\$ million)

Item	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99 ^a
Commonwealth Government											
Petroleum products excise ^b	4346.4	4733.8	5221.6	5649.5	5685.7	6704.1	7440.2	8053.7	8324.9	8535.3	8661.6
ACT motor vehicle taxes ^c	38.3	21.0	..	..	..	..	..	..	..	..	..
Federal Interstate											
Registration Scheme	10.8	17.1	14.5	15.9	17.0	20.3	23.6	29.3	20.1	17.8	20.3
Sub-total	4395.5	4771.9	5236.1	5665.4	5702.7	6724.4	7463.8	8083.0	8345.0	8553.1	8681.9
State and Territory governments											
Vehicle registration fees	1242.0	1342.0	1402.0	1606.0	1765.0	1901.0	1970.0	2018.0	2146.0	2285.0	na
Stamp duty for vehicle registration	650.7	728.0	641.0	626.0	750.0	872.0	987.0	1052.0	1148.0	1260.0	na
Driver licence fees	190.0	268.0	251.0	184.0	187.0	240.0	299.0	295.0	212.0	134.0	na
Fuel franchise taxes/fees	680.0	1016.0	1061.0	1128.0	1174.0	1346.0	1427.0	1531.0	1570.0	1251.0	na
Road transport & maintenance taxes	47.0	63.0	56.0	55.0	79.0	92.0	106.0	101.0	86.0	117.0	na
Tolls ^d	65.4	76.4	83.4	99.8	118.7	134.4	149.5	137.6	136.7	149.0	na
Sub-total	2875.1	3493.4	3494.4	3698.8	4073.7	4585.4	4938.5	5134.6	5298.7	5196.0	na
TOTAL REVENUE	7270.6	8265.3	8730.5	9364.2	9776.4	11309.8	12402.3	13217.6	13643.7	13749.1	na

Note This table excludes some taxes/fees on motor vehicles such as customs duty and sales tax.

- Estimate.
- Estimated excise component attributed to motor vehicles using public roads. This figure has been re-estimated since Information Sheet 11 to provide a closer approximation to the net excise figure. It does not include the additional excise raised for the revenue replacement payments to the States under the States Grants (General Purposes) Act 1994, which replaces the State and Territory business franchise fees on petroleum. This is reported in the Commonwealth Budget Papers under State and Territory governments as a fuel franchise tax/fee.
- Prior to the ACT becoming self-governing on 11 May 1989, monies raised via motor vehicle taxes and charges were collected by the Commonwealth government.
- Comprises tolls collected from the Gateway Bridge and Logan Motorway in Queensland, the Sydney Harbour Bridge and Harbour Tunnel in New South Wales, and for the Waterfall/Bulli Tollway and Sunshine Motorway up to 1994-95, after which the latter two ceased to be tollways.

Sources ABS(1998b); ABS (1999c); Commonwealth of Australia (1998); RTA, NSW (1999); SHT (1999); GB Co.(1999).

ABBREVIATIONS

ABS	Australian Bureau of Statistics	GB Co.	Gateway Bridge Company Ltd.
ACCC	Australian Competition and Consumer Commission	RTA	Roads and Traffic Authority
BTCE	Bureau of Transport and Communications Economics	SHT	Sydney Harbour Tunnel
DoTRS	Department of Transport and Regional Services		

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