

# Road User Charging: Why Governance and Data Sharing Must Come First





We have a significant opportunity to implement an equitable and transparent system for road charging and funding.



## Key features of the desired end state

### Transparent

Public trust depends on clarity over how revenue is collected and spent. Demonstrating that funds are reinvested where they are most needed will be critical to establishing trust and support for change.

### Equitable

Different communities face different circumstances. Fairness in pricing, across regional, outer-suburban and urban drivers alike, must be central to any reform.

### Nationally aligned

Establishing clear governance and data-sharing arrangements between the Commonwealth, States Territories and local governments will be critical to moving beyond a fragmented approach.

### Outcomes based

Road charging and funding should be linked to clear, measurable outcomes, such as maintaining all roads efficiently or reducing congestion, rather than simply generating revenue.

Australia needs a fair, future-proof way to fund and manage roads. Alignment across all levels of government will be fundamental.



## The challenge



### Declining fuel excise

Greater fuel efficiency and a shift to electric vehicles is reducing the revenue collected through fuel excise.



### Increasing EV uptake

Electric vehicle ownership is accelerating, yet EVs do not contribute to the fuel excise. This widens the revenue gap and raises equity concerns as adoption increases.



### States cannot go it alone

The High Court confirmed that states cannot go it alone. Road charges fall within Commonwealth jurisdiction. This makes alignment across governments not optional, but essential.

Road user charging could take on many forms. Equity in pricing and transparency in revenue allocation will be essential to ensuring buy-in and support.

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In its simplest form, a nationally consistent distance-based road user charge for zero and low emission vehicles (ZLEV) would help address the decline in revenue from fuel excise. Other potential considerations include:



**Distance based charging for all vehicle types** - a distance based approach is currently being implemented in NZ



**Congestion reduction** - varying price by time of day could be used to encourage off-peak travel



**Emissions reduction** - a distance-based charge scaled by vehicle emissions could discourage the use of high-emission vehicles

### Equity matters

Regional and outer-suburban drivers travel further with fewer alternatives. Support grows when revenue is clearly reinvested, and concessional settings will matter for regional drivers.

Australians drive across State and Territory borders every day. No single jurisdiction can deliver Road User Charging fairly in isolation.



Example road user personas

**NSW/QLD border resident**

Tweed Heads, NSW / Coolangatta, Qld

Perspective / Needs

- Fair and consistent road charging across states
- Transparent use of fees
- Visible benefits for local roads

*“I cross the border almost every day. I need a system that is fair and consistent, no matter which side of the border I am on”*

**Regional resident**

Operates interstate (NSW, QLD, VIC)

Perspective / Needs

- Transparent and fair charges
- Fair treatment for cross-border travel
- Reinvestment in regional road infrastructure

*“I rely on these roads every day. A system that is fair, transparent and supports regional and local roads is essential”*

**Heavy Vehicle Operator**

Tamworth, NSW

Perspective / Needs

- Outcomes-based charging tied to road usage
- National alignment to reduce administrative burden
- Predictable, fair charges for heavy vehicles

*“My trucks travel thousands of kilometres across borders. I need a fair system that charges for actual road use, not where the vehicle is registered ”*

Shared oversight and nationally consistent data standards are critical

- Provide a single source of truth on road use across jurisdictions
  - Ensure fair and transparent revenue allocation
- Minimise duplication and administrative burden
  - Build public trust through transparency and comparability

Getting governance and data right is the first step to fair and sustainable road funding. Let's start that conversation. Reach out to:



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