



Media Release

7 July 2010

Road User Charges changes welcome

The Government's Road User Charges (RUC) decisions are substantially in line with what the Forum has been seeking and in keeping with the findings of the RUC Working Group, says the Road Transport Forum Chief Executive Officer Ken Shirley.

"The Government has clearly listened to the Forum's case and recognised the inherent waste and inefficiency in the current RUC system. It is very refreshing to be working with Government on these issues for the overall benefit of the economy."

Mr Shirley says that as well as reducing administration and compliance costs, the changes will also significantly reduce the opportunity for evading RUC payments which we believe is significantly greater than the Government's conservative estimate of \$30 million. "Because the trucking industry is a major contributor to roading costs, RUC evasion means that the honest subsidise the dishonest.

"The Forum will continue to work closely with Government on its review of the Ministry of Transport's Cost Allocation Model, which is used to decide what proportion of roading costs the different types of vehicles should meet. The road transport industry fully accepts that it must meet the costs it imposes on the roading network, but this review is needed to ensure that all road users are paying their fair share of these costs."

Mr Shirley says it is particularly important to note that with the RUC decision, the Government has addressed the three irritants behind the nationwide truck protest in July 2008. "The first was the need for adequate notice of any RUC increases, which was the immediate trigger for the protest. The second was the simplification of the RUC system and the third was the review of the Cost Allocation Model. The Forum appreciated the positive approach taken by the Minister of Transport, Steven Joyce, and the progress being made."

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