



Warren Truss
Deputy Prime Minister
Minister for Infrastructure and Regional Development

Media Statement

23 June 2015

Fuel excise change a boost for local roads

COUNCILS across Australia will receive an extra \$1.105 billion over the next two years from the Australian Government for local road and street works following the reintroduction of Consumer Price Index-linked fuel excise.

Deputy Prime Minister and Minister for Infrastructure and Regional Development Warren Truss said every cent of the extra \$23 billion revenue raised through the excise over the next decade and beyond will be invested in roads infrastructure.

“The Government has reached agreement with the Labor Party for the passage of the fuel excise indexation legislation, an important element in our Budget repair plan,” Mr Truss said.

“As part of our ongoing commitment to road infrastructure, we will provide an additional \$1.105 billion specifically for the Roads to Recovery Programme over the next two years.

“This popular roads programme was introduced by the Howard/Anderson Government. Since coming to government, we have expanded it and made it permanent to give local government and their communities the surety they need that local roads will be future-proofed.

“What today’s decision means is that local governments across Australia will receive an extra \$300 million in 2015-16 under Roads to Recovery, on top of the \$700 million they are already receiving – a \$1 billion cash injection in local roads over the next 12 months.

“In 2016-17, local government will receive an extra \$805 million in addition to the \$350 million they were already scheduled to receive under Roads to Recovery – \$1.155 billion next financial year.

“Since the programme began in early 2001, councils have used the funding provided to repair and upgrade more than 45,000 local streets and road locations, making it the largest investment in Australia’s local roads ever undertaken.

“Today we are ensuring many thousands more will be built and repaired.”

Tying the indexation of the fuel excise to changes in inflation will provide the Australian Government with a predictable and guaranteed source of revenue to build the infrastructure Australia needs.

“For a motorist who consumes 50 litres of fuel each week, the impact amounts to just 40 cents, an impact that will be minimised through congestion-busting road infrastructure,” Mr Truss said.

“Importantly, the Roads to Recovery Programme allows councils to directly fund local road projects based on local needs, with local knowledge playing a major role in the programme’s success.”

The fuel excise will increase twice a year in February and August, in line with movements of the Consumer Price Index.

The extra \$1.105 billion being pumped into Roads to Recovery will be paid to councils under the usual formula as part of their regular quarterly payments without any requirement for councils to match the extra money.

[ENDS]

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Roads to Recovery circular 2015/3

Additional Funds announced for Roads to Recovery

The Australian Government has announced additional funds for Roads to Recovery. Please see the Media Release also attached to this email.

In summary, total funding for the Roads to Recovery programme for 2014-15 to 2018-19 is now \$3.2 billion over the five years.

- Information about your allocation and details will be provided soon.
- Your allocation for 2015-16 which already contained a double payment will now be increased again, as will the allocation for 2016-17.
- The 2017-18 and 2018-19 years of the programme are unchanged.

There will be no changes to the requirements of Own Source Expenditure however you must continue to meet your normal obligation.

Administrative

Please direct Roads to Recovery inquiries to:

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Allan Chisholm is on leave.

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Roads to Recovery
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