MARTINS STOCK HAULAGE PTY LTD

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National Transport Commission Level 3/600 Bourke Street Melbourne VIC 3000 E: <u>enquiries@ntc.gov.au</u>

HEAVY VEHICLE CHARGES DETERMINATION 2021-22

I write to advise that Martins Stock Haulage Pty Ltd (Martins) supports the proposal to increase heavy vehicle charges by 2.5 per cent in 2021-22.

Martins is one of Australia's largest livestock carriers and we also handle dangerous goods. Founded in 1958, we operate from major depots in Oakey (QLD) and Scone (NSW) across all Australian States and Territories.

We have appreciated the response of Australian Governments during the COVID-19 pandemic to freeze heavy vehicle charges while also increasing investment in regional road infrastructure and establishing instant asset write-off allowances to encourage business-level investment. These measures have ensured that the Martins business has remained strong.

Martins continues to believe in the principles of fair cost recovery of heavy vehicle related road expenditure via heavy vehicle registration charges and the Road User Charge. We understand that there is a growing gap of 13.4 per cent between the heavy vehicle cost base and current charges. It is important that Industry and Government agree to take measured steps to close this gap. As a high turnover, low margin industry, no transport business can afford large and unforeseen increases in heavy vehicle charges. However, a 2.5 per cent increase is reasonable by historic standards and was first proposed almost two years ago.

For these reasons, Martins supports the proposal to increase heavy vehicle charges by 2.5 per cent in 2021-22. We also ask that Australian Governments undertake work on a multi-year price pathing strategy to ensure that the 13.4 per cent gap between expenditure and charges can be closed in manner that facilitates continued investment in road infrastructure without placing undue stress on transport businesses.

Sincere

Jason Martin Managing Director