

**Question on Notice**

**No. 59**

**Asked on Wednesday, 15 February 2017**

**MRS T SMITH** asked the Minister for Main Roads, Road Safety and Ports and Minister for Energy, Biofuels and Water Supply (HON M BAILEY) —

**QUESTION:**

With reference to the recent large increase in the costs of car registration—

Will the government consider capping registration costs to the rate of inflation?

**ANSWER:**

I thank the Member for Mount Ommaney for the question.

The State Government indexation policy was introduced under the previous government which the Member was a part of, and this indexation was clearly included in both the 2014 Budget Forward Estimates and in the December 2014 MYEFR delivered by the now Leader of the Opposition while he was Treasurer.

If registration costs were to be capped to the rate of inflation, the amount of funding available for investment under the Queensland Transport and Roads Investment Program would be reduced. This would result in estimated foregone revenue for the period 2017–2021 of \$305.3 million and \$115.7 million per annum ongoing (based on a September quarter 2016 inflation rate of 1.5 per cent).

Such a reduction in funding would impact our ability to upgrade, maintain and ensure the safety of the state's transport network.