

# MEDIA RELEASE

22 November 2020

## Household transport costs rise as economy reboots from COVID-19 lockdowns

- Household transport costs on the rise again after declines at start of 2020.
- Typical household spends \$309 per week on transport.
- Governments must monitor transport costs as economy reboots from COVID-19 lockdowns.

Transport costs for the typical household are on the rise again after falling sharply at the beginning of 2020. The typical Australian household spent \$309 per week on transport costs during the September quarter, according to research contained in the latest Transport Affordability Index released today by the nation's peak motoring body, the Australian Automobile Association.

AAA Managing Director, Michael Bradley, said governments needed to closely monitor transport costs as the economy gradually rebooted from the impacts of COVID-19 lockdowns.

"The latest figures show a small 1.2 per cent increase in weekly household transport costs from the previous quarter, which likely marks the start of an upward trend following a sharp drop earlier this year," Mr Bradley said.

He said prior to the COVID-19 pandemic, increases in household transport costs outstripped inflation.

"Governments need to closely monitor transport policies to ensure any cost increases are kept within inflation or below. This is particularly important given the latest research shows transport costs now account for 12.4 per cent of the typical household income," he said.

The latest figures mean the typical metropolitan household is spending \$17,813 on transport costs each year; compared with \$14,093 for the typical regional household.

Loan repayments and fuel remain the largest cost inputs, although toll costs outstrip fuel costs in capital cities.

Sydney, Melbourne and Brisbane remained the nation's most expensive capital cities.

The AAA's quarterly Transport Affordability Index measures costs associated with car loan repayments, tolls, fuel, public transport, insurance, roadside assistance, servicing and tyres. The Index also measures a regional centre in each state and the Northern Territory to give an indicative picture of household transport costs across the regions.

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The Australian Automobile Association is the nation's peak motoring body, representing Australia's state-based motoring clubs and their 8 million members. The AAA is an apolitical and technology-neutral advocate for federal transport policy that improves safety, affordability, and mobility.