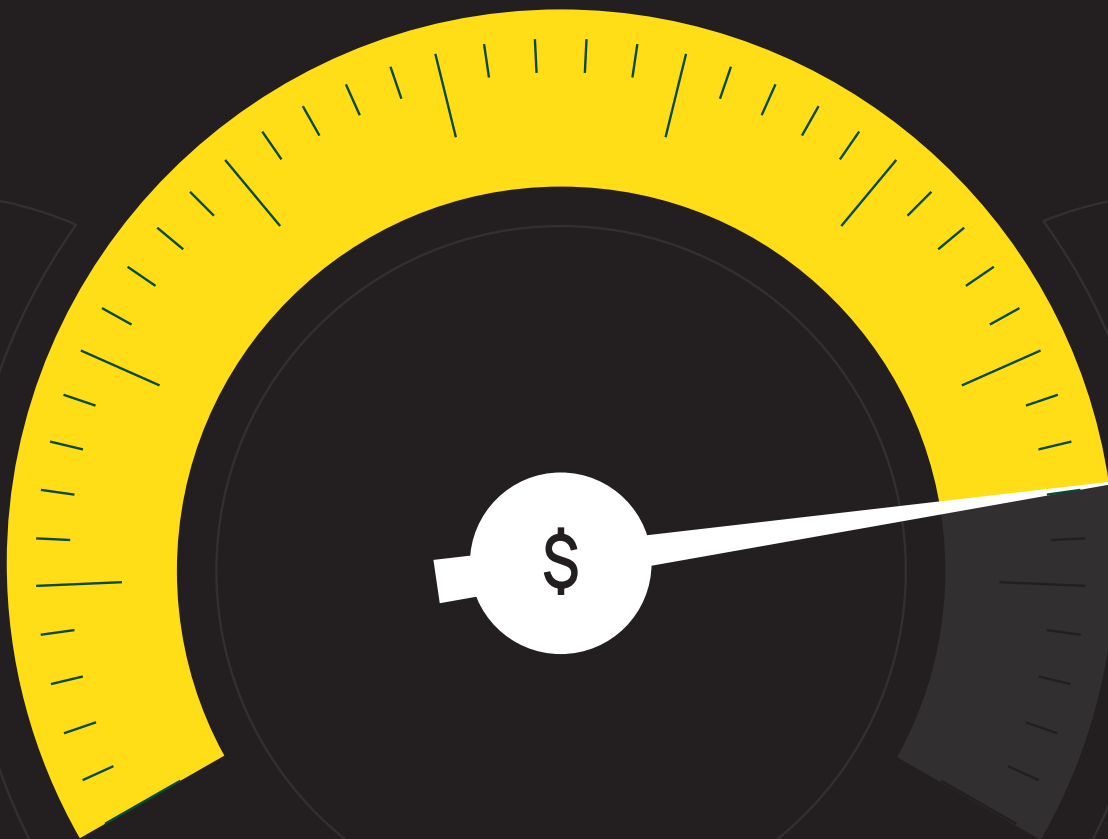


# Transport Affordability Index

# Q4 2021

QUARTER 4, 2021  
Released February 2022





The Australian Automobile Association (AAA) Transport Affordability Index is based on modeling commissioned by the AAA and developed by SGS Economics and Planning.

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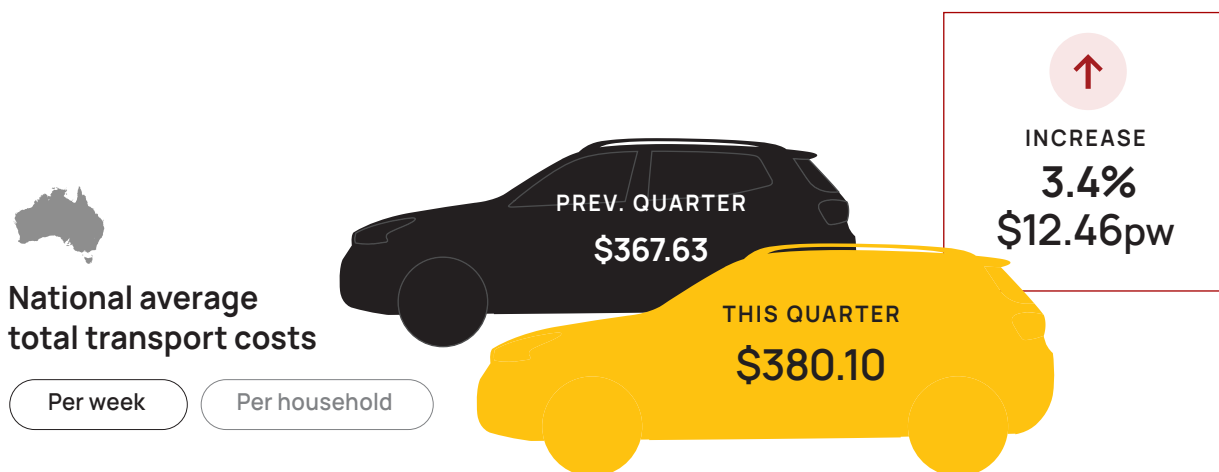
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# Transport costs are continuing to rise



The latest edition of the AAA Transport Affordability Index shows the costs of transport in capital cities and across regional households in every state and territory increased during the past three months. The AAA data shows the average Australian metropolitan household now pays \$21,513 on annual transport costs; while in regional cities the average is \$17,767 per year.

Increased transport costs are a significant contributor to cost of living pressures on Australian families with the average Australian household now paying more than \$70 a week extra on transport costs throughout 2021.

The AAA data shows average weekly household transport costs have increased by as much as \$70.18 in capital city households to \$413.71 a week and by \$70.17 in regional households to average \$341.68 per week.

Sydney is Australia's most expensive capital city for transport costs averaging \$485.13 per week, followed by Melbourne (\$457.12) and Brisbane (\$454.70) but the greatest increase in transport costs was recorded in Adelaide. Bunbury and Alice Springs are the most expensive regional cities tied at \$360.88 per week followed by Geelong (\$357.28).

As a proportion of household income, nationally transport costs rose 2.8% from 12.6% in 2020 to 15.4%. The Tasmanian cities of Launceston (18.5%) and Hobart (18.2%), followed by Brisbane (17.7%) had the highest transport costs as a portion of household income.

Rising fuel prices continue to be a significant contributor to cost of living pressures across both regional and metropolitan Australia.

With a federal election and two state elections due this year, this index is a timely reminder that policies that further increase transport costs need to be avoided.



**Michael Bradley**  
Managing Director  
Australian Automobile Association

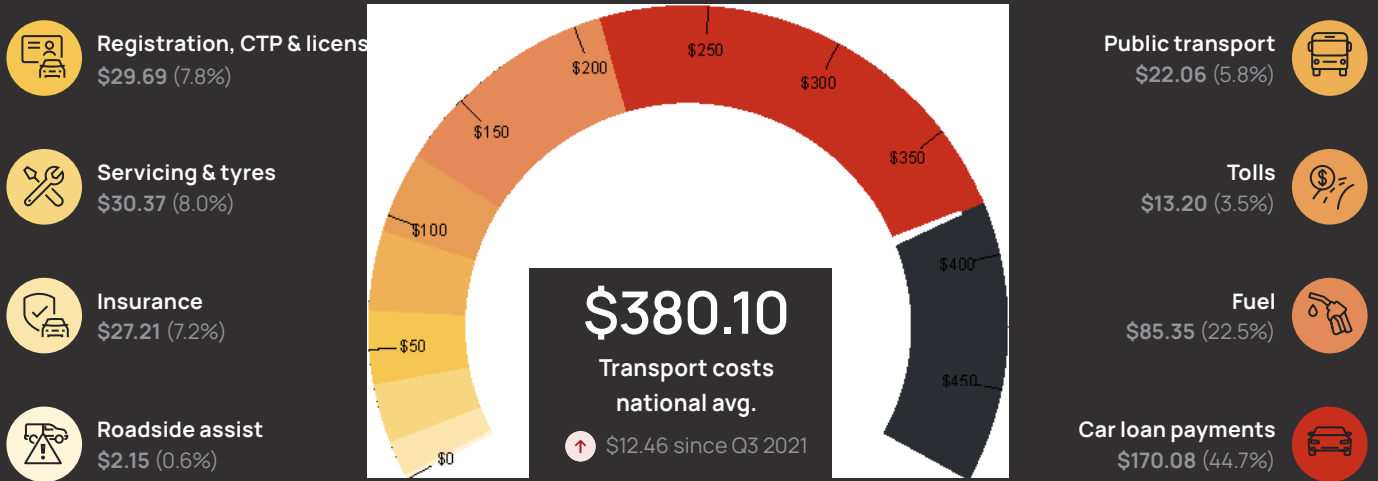
KEY FIGURES

# Quarter 4 2021

## Total transport costs

Per week

Per household



### Capital cities

### Regional

**Total costs**

AVERAGE	HIGHEST	LOWEST
<p><b>\$413.71</b></p> <p>↑ \$11.85 Since Q3 2021</p>	<p><b>Sydney</b></p> <p>↑ \$7.57</p>	<p><b>Hobart</b></p> <p>↑ \$13.62</p>

**Total costs**

AVERAGE	HIGHEST	LOWEST
<p><b>\$341.68</b></p> <p>↑ \$13.16 Since Q3 2021</p>	<p><b>Alice Springs</b></p> <p>↑ \$19.01</p>	<p><b>Wagga Wagga</b></p> <p>↑ \$5.82</p>

**Affordability (% of income)**

<p><b>15.9%</b></p> <p>↑ 0.5% Since Q3 2021</p>	<p><b>Hobart</b></p> <p>↑ 0.7%</p>	<p><b>Canberra</b></p> <p>↑ 0.3%</p>
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**Affordability (% of income)**

<p><b>14.6%</b></p> <p>↑ 0.6% Since Q3 2021</p>	<p><b>Launceston</b></p> <p>↑ 0.7%</p>	<p><b>Wagga Wagga</b></p> <p>↑ 0.2%</p>
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# Total transport costs

Per year

Per household

VIEW COSTS PER WEEK (PAGE 6) →



## Capital cities

### Capital average











**\$21,513**

↑ \$616 since Q3 2021

In the December quarter, the typical Australian city household's average annualised cost of transport increased by \$616 to \$21,513. Transport taxes – in the form of fuel excise, registration, compulsory third party (CTP) insurance and licensing – cost the typical two-car family \$2,718.

The greatest increase in transport costs was recorded in Adelaide – equivalent to \$967 per year. This was mainly due to higher insurance premiums.

1	2	3	4
 <p><b>Sydney</b> <b>\$25,227</b></p> <p>↑ \$394 since Q3 2021</p>	 <p><b>Melbourne</b> <b>\$23,770</b></p> <p>↑ \$528 since Q3 2021</p>	 <p><b>Brisbane</b> <b>\$23,644</b></p> <p>↑ \$554 since Q3 2021</p>	 <p><b>Perth</b> <b>\$20,889</b></p> <p>↑ \$585 since Q3 2021</p>
5	6	7	8
 <p><b>Canberra</b> <b>\$20,581</b></p> <p>↑ \$489 since Q3 2021</p>	 <p><b>Adelaide</b> <b>\$19,810</b></p> <p>↑ \$967 since Q3 2021</p>	 <p><b>Darwin</b> <b>\$19,268</b></p> <p>↑ \$706 since Q3 2021</p>	 <p><b>Hobart</b> <b>\$18,961</b></p> <p>↑ \$708 since Q3 2021</p>

## Average taxes



### Fuel excise

\$1,139

–

Steady since Q3 2021

+



### Registration, CTP and licensing

\$1,579

↑ \$1.00

Since Q3 2021

=

### Household total

\$2,718

↑ \$1.00

Since Q3 2021

# Total transport costs

Per year

Per household

VIEW COSTS PER WEEK (PAGE 6) →



## Regional

### Regional average











**\$17,767**

↑ \$684 since Q3 2021

The average annual cost of transport for the typical regional household increased by \$684 to \$17,767. Of this, transport taxes cost regional families \$2,698.

The greatest increase was recorded in Alice Springs, where annual transport costs rose by \$989 when compared to the previous quarter, mainly due to higher fuel prices.

1	2	3	4
 <p><b>Alice Springs</b> <b>\$18,766</b></p> <p>↑ \$989 since Q3 2021</p>	 <p><b>Bunbury</b> <b>\$18,766</b></p> <p>↑ \$657 since Q3 2021</p>	 <p><b>Geelong</b> <b>\$18,578</b></p> <p>↑ \$736 since Q3 2021</p>	 <p><b>Mount Gambier</b> <b>\$17,701</b></p> <p>↑ \$776 since Q3 2021</p>
5	6	7	 <p>Explore the interactive data</p> <p>DATA.AAA.ASN.AU</p>
 <p><b>Launceston</b> <b>\$17,407</b></p> <p>↑ \$683 since Q3 2021</p>	 <p><b>Townsville</b> <b>\$16,760</b></p> <p>↑ \$648 since Q3 2021</p>	 <p><b>Wagga Wagga</b> <b>\$16,392</b></p> <p>↑ \$303 since Q3 2021</p>	

## Average taxes



### Fuel Excise

\$1,194

— Steady since Q3 2021

+



### Registration, CTP and Licensing

\$1,503

↑ \$1.00 since Q3 2021

=

### Household total

\$2,698

↑ \$1.00 since Q3 2021

# Total transport costs

Per week

Per household



## Capital cities









### Capital average



**\$413.71**

↑ \$11.85 since Q3 2021

The December quarter of 2021 saw no change in rankings, with Sydney remaining the most expensive capital city for transport while Hobart remained the cheapest.

1	2	3	4
 <b>Sydney</b> <b>\$485.13</b> ↑ \$7.57 since Q3 2021	 <b>Melbourne</b> <b>\$457.12</b> ↑ \$10.15 since Q3 2021	 <b>Brisbane</b> <b>\$454.70</b> ↑ \$10.65 since Q3 2021	 <b>Perth</b> <b>\$401.71</b> ↑ \$11.26 since Q3 2021
5	6	7	8
 <b>Canberra</b> <b>\$395.78</b> ↑ \$9.40 since Q3 2021	 <b>Adelaide</b> <b>\$380.96</b> ↑ \$18.60 since Q3 2021	 <b>Darwin</b> <b>\$370.54</b> ↑ \$13.58 since Q3 2021	 <b>Hobart</b> <b>\$363.76</b> ↑ \$13.62 since Q3 2021



# Total transport costs

Per week

Per household



## Regional

### Regional average











**\$341.68**

↑ \$13.16 since Q3 2021

Transport in the regional centres was, on average, \$72 a week cheaper than in the capitals. Alice Springs replaced Bunbury as the regional centre with the highest total weekly transport costs (previously third-highest). Bunbury became the regional centre with the second-highest transport costs, whilst Geelong became the third-most

expensive regional centre. All other rankings remained unchanged.

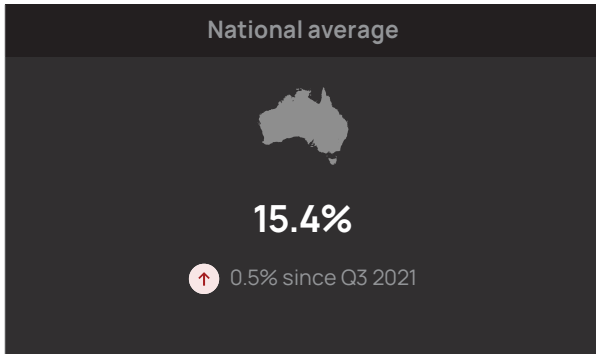
1	2	3	4
 <p><b>Alice Springs</b> <b>\$360.88</b> ↑ \$19.01 since Q3 2021</p>	 <p><b>Bunbury</b> <b>\$360.88</b> ↑ \$12.63 since Q3 2021</p>	 <p><b>Geelong</b> <b>\$357.28</b> ↑ \$14.15 since Q3 2021</p>	 <p><b>Mount Gambier</b> <b>\$340.40</b> ↑ \$14.93 since Q3 2021</p>
5	6	7	
 <p><b>Launceston</b> <b>\$334.76</b> ↑ \$13.13 since Q3 2021</p>	 <p><b>Townsville</b> <b>\$322.30</b> ↑ \$12.46 since Q3 2021</p>	 <p><b>Wagga Wagga</b> <b>\$315.23</b> ↑ \$5.82 since Q3 2021</p>	 <p>Explore the interactive data DATA.AAA.ASN.AU</p>

# Transport affordability

## Costs as a percentage of income

Per week

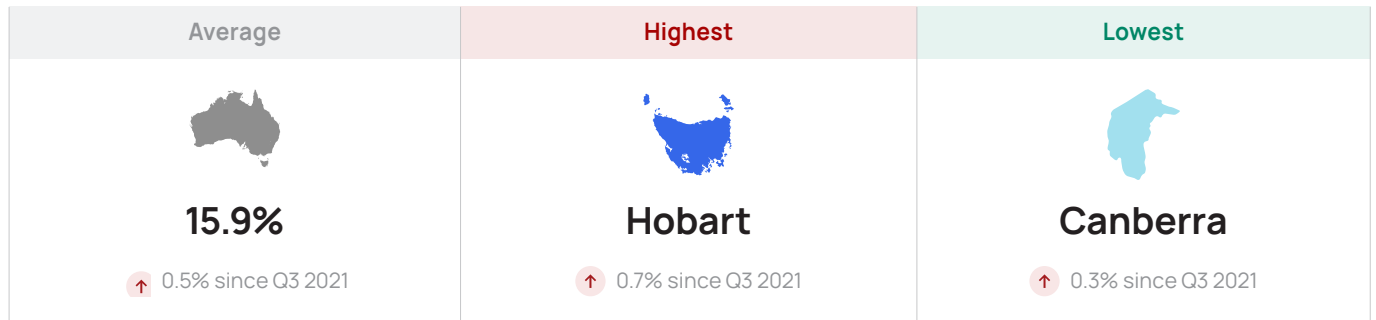
Per household



The relationship between a region's income and costs determines local purchasing power – or affordability. For example, in dollar terms Hobart has the lowest total transport costs, while Sydney has the highest. But when this cost is measured as a percentage of typical household income, Hobart – not Sydney – ranks as the Australian city with the least affordable transport costs.



### Capital cities



### Rank

		Q1	Q2	Q3	Q4
1	Hobart	17.6%	18.1%	17.5%	18.2%
2	Brisbane	17.2%	17.4%	17.3%	17.7%
3	Melbourne	15.6%	15.8%	16.4%	16.7%
4	Darwin	14.6%	15.0%	15.2%	15.8%
5	Sydney	15.4%	15.6%	15.5%	15.7%
6	Adelaide	14.7%	14.7%	14.3%	15.1%
7	Perth	14.7%	14.9%	14.4%	14.9%
8	Canberra	13.1%	13.5%	13.7%	14.1%
	Capital avg.	15.3%	15.5%	15.5%	15.9%

# Transport affordability

## Costs as a percentage of income

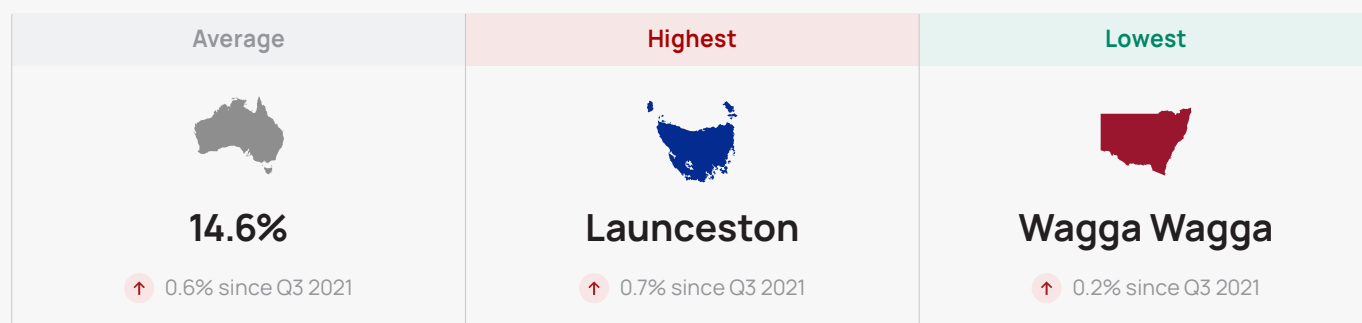
Per week

Per household






Across Australia, regional households earned \$212 per week less than their city counterparts (based on ABS data). But the difference was more pronounced in New South Wales and South Australia. Households in Wagga Wagga and Mount Gambier earned considerably less per week than their city counterparts: \$270 and \$268 per week less on average, respectively.

Nationally, the average cost of transport cost took up 15.4 per cent of the typical household's income – 15.9 per cent in the capital cities and 14.6 per cent in regional centres.

### Regional



### Rank

		Q1	Q2	Q3	Q4
1	 <b>Launceston</b>	17.8%	18.2%	17.8%	18.5%
2	 <b>Alice Springs</b>	14.9%	15.3%	15.5%	16.3%
3	 <b>Mount Gambier</b>	14.5%	14.7%	14.4%	15.0%
4	 <b>Bunbury</b>	14.0%	14.3%	13.9%	14.4%
5	 <b>Geelong</b>	12.3%	12.5%	13.0%	13.6%
6	 <b>Townsville</b>	12.5%	12.7%	12.6%	13.1%
7	 <b>Wagga Wagga</b>	10.8%	11.1%	11.0%	11.2%
8	 <b>Regional avg.</b>	13.8%	14.1%	14.0%	14.6%



Explore the interactive data

DATA.AAA.ASN.AU →

# Transport costs by category

Per week

Per household









↑ Overall, there was an increase in household average weekly transport expenses.

The increase in transport costs over the quarter was driven by changes in these cost categories:

- **Car loan payments** – the average upfront cost for purchasing new cars and interest rates increased in all jurisdictions.
- **Registration, CTP and licensing** – costs increased marginally in Queensland.
- **Comprehensive insurance** – premiums increased in most locations. Large increases were seen in Adelaide and Alice Springs.
- **Car maintenance** – costs increased in all locations except Sydney and Wagga Wagga..
- **Fuel** – prices increased considerably in all locations..
- **Toll roads** – toll road costs increased for Sydney and Melbourne due to scheduled indexation from 1 October 2021.
- Public transport fares remained unchanged over the quarter.



## Capital cities

1	2	3	4
 <p><b>Car loan payments</b> <b>\$170.04</b></p> <p>↑ \$3.63 since Q3 2021</p>	 <p><b>Fuel</b> <b>\$84.05</b></p> <p>↑ \$6.48 since Q3 2021</p>	 <p><b>Tolls</b> <b>\$66.01</b></p> <p>↑ \$0.43 since Q3 2021</p>	 <p><b>Public transport</b> <b>\$41.36</b></p> <p>– Steady since Q3 2021</p>
5	6	7	8
 <p><b>Servicing &amp; tyres</b> <b>\$31.17</b></p> <p>↑ \$0.25 since Q3 2021</p>	 <p><b>Registration, CTP &amp; licensing</b> <b>\$30.36</b></p> <p>↑ \$0.01 since Q3 2021</p>	 <p><b>Insurance</b> <b>\$29.83</b></p> <p>↑ \$1.28 since Q3 2021</p>	 <p><b>Roadside assist</b> <b>\$2.16</b></p> <p>↑ \$0.03 since Q3 2021</p>

# Transport costs by category

Per week







Per household

The ranking of average expenses for the typical city and regional families remained the same over the quarter. Car loan payments and fuel expenditure remained the largest expense in the representative families' transport budgets, while roadside assistance and insurance were the smallest.

The Index assumes that city and regional households have the same costs for purchasing and financing a new car and for roadside assistance. Because city and regional households drive similar cars, the same assumptions about fuel efficiency and fuel mix are applied.



## Regional

1	2	3
 <b>Car loan payments</b> <b>\$170.12</b> ↑ \$3.70 since Q3 2021	 <b>Fuel</b> <b>\$86.83</b> ↑ \$7.57 since Q3 2021	 <b>Servicing &amp; Tyres</b> <b>\$29.46</b> ↑ \$0.24 since Q3 2021
4	5	6
 <b>Registration, CTP &amp; licensing</b> <b>\$28.91</b> ↑ \$0.01 since Q3 2021	 <b>Insurance</b> <b>\$24.21</b> ↑ \$1.62 since Q3 2021	 <b>Roadside assist</b> <b>\$2.13</b> ↑ \$0.02 since Q3 2021

# Transport costs by category

Per week

Per household



## Car loan payments

The upfront costs of purchasing a new car increased in all jurisdictions – on average by \$607 – in the December quarter, resulting in the cost of weekly car loan payments increasing in all locations by \$3.63 per week, or \$189 a year on average.

Canberra replaced Hobart as the capital city with the third-lowest car loan payments (previously fourth-highest). Adelaide became the capital with the fourth-highest car loan payments, whilst Hobart became the fourth-least expensive capital city for car loan payments. All other rankings remained unchanged.




Regional households incurred the same costs in this category as their capital city counterparts because it is assumed that interest rates and new car purchase costs are the same in regional and capital city locations.






### Capital cities












### Regional








Average	Highest	Lowest
 <p><b>\$170.04</b></p> <p>↑ \$3.63 Since Q3 2021</p>	 <p><b>Perth</b></p> <p>↑ \$3.78</p>	 <p><b>Darwin</b></p> <p>↑ \$3.78</p>

Average	Highest	Lowest
 <p><b>\$170.12</b></p> <p>↑ \$3.70 Since Q3 2021</p>	 <p><b>Bunbury</b></p> <p>↑ \$3.78</p>	 <p><b>Alice Springs</b></p> <p>↑ \$3.78</p>

#### Rank

1		<b>Perth</b>	\$171.49	<b>+ \$3.78</b>
2		<b>Sydney</b>	\$170.96	<b>+ \$3.69</b>
3		<b>Melbourne</b>	\$170.29	<b>+ \$3.81</b>
4	↑ 	<b>Adelaide</b>	\$169.92	<b>+ \$3.68</b>
5	↑ 	<b>Hobart</b>	\$169.71	<b>+ \$3.57</b>
6	↓ 	<b>Canberra</b>	\$169.42	<b>+ \$3.14</b>
7		<b>Brisbane</b>	\$169.26	<b>+ \$3.60</b>
8		<b>Darwin</b>	\$169.24	<b>+ \$3.78</b>
		<b>Capital avg.</b>	\$170.04	<b>+ \$3.63</b>

#### Rank

1		<b>Bunbury</b>	\$171.49	<b>+ \$3.78</b>
2		<b>Wagga Wagga</b>	\$170.96	<b>+ \$3.69</b>
3		<b>Geelong</b>	\$170.29	<b>+ \$3.81</b>
4		<b>Mount Gambier</b>	\$169.92	<b>+ \$3.68</b>
5		<b>Launceston</b>	\$169.71	<b>+ \$3.57</b>
6		<b>Townsville</b>	\$169.26	<b>+ \$3.60</b>
7		<b>Alice Springs</b>	\$169.24	<b>+ \$3.78</b>
		<b>Regional avg.</b>	\$170.12	<b>+ \$3.70</b>

# Transport costs by category

Per week

Per household



## Vehicle registration, CTP and driver's licence

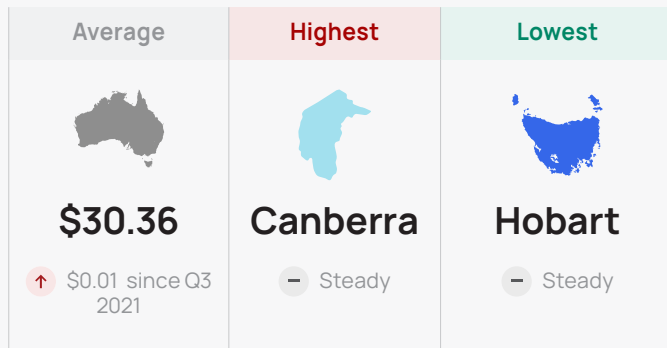
Weekly registration, CTP and licensing costs increased in Queensland.

Canberra remained the most expensive capital city for registration, CTP and licensing, while Hobart remained the least expensive, with the typical Canberra household spending \$900 more per year than Hobart.

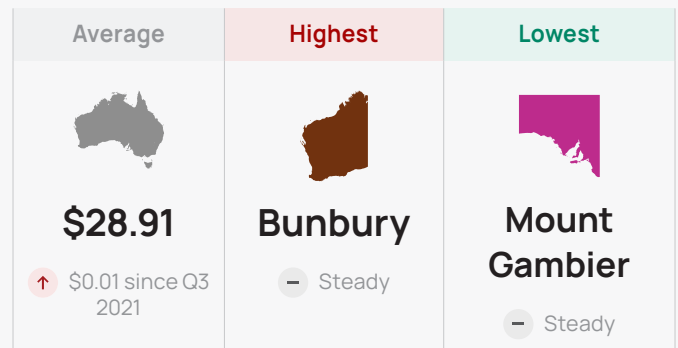
Bunbury remained the most expensive regional centre in this cost category. Mount Gambier remained the regional centre with the lowest registration, CTP and licensing costs. The annualised difference between Bunbury and Mount Gambier was \$619.



### Capital cities



### Regional



Rank

1		<b>Canberra</b>	\$39.94	-
2		<b>Perth</b>	\$34.04	-
3		<b>Melbourne</b>	\$33.61	-
4		<b>Darwin</b>	\$30.74	-
5		<b>Brisbane</b>	\$30.41	<b>+\$0.08</b>
6		<b>Adelaide</b>	\$26.82	-
7		<b>Sydney</b>	\$24.73	-
8		<b>Hobart</b>	\$22.62	-
		<b>Capital avg.</b>	\$30.36	<b>+\$0.01</b>

Rank

1		<b>Bunbury</b>	\$34.04	-
2		<b>Geelong</b>	\$31.50	-
3		<b>Wagga Wagga</b>	\$30.94	-
4		<b>Alice Springs</b>	\$30.74	-
5		<b>Townsville</b>	\$30.41	<b>+\$0.08</b>
6		<b>Launceston</b>	\$22.62	-
7		<b>Mount Gambier</b>	\$22.14	-
		<b>Regional avg.</b>	\$28.91	<b>+\$0.01</b>



Explore the interactive data

DATA.AAA.ASN.AU →

# Transport costs by category

Per week

Per household



## Comprehensive car insurance

In the December quarter, the weekly cost of comprehensive insurance for both the benchmark new and used vehicles increased for the typical Australian city household. The largest rise in insurance premiums was observed in Adelaide with costs increasing by \$425 per year. As such Adelaide became the most expensive city while Perth remained the cheapest, with a typical Adelaide household spending \$1075 per year more than Perth.

The largest increase among the regional households was in Alice Springs where costs increased by \$375 per annum.

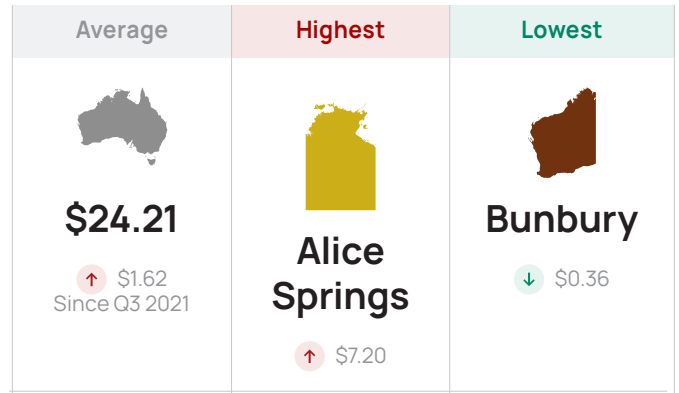
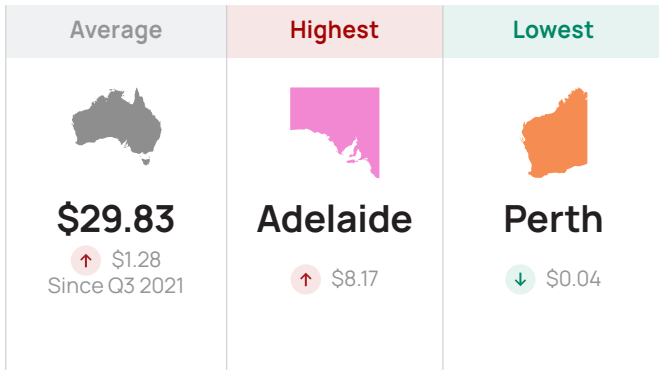
The largest difference between a capital city and its regional counterpart was in Victoria, where a typical Geelong household spends \$691 a year less on comprehensive insurance than Melbourne.



### Capital cities



### Regional



Rank

1	↑	Adelaide	\$37.31	+ \$8.17
2	↓	Melbourne	\$35.94	+ \$1.31
3		Brisbane	\$33.62	+ \$2.18
4		Darwin	\$33.08	+ \$1.76
5	↓	Sydney	\$30.40	- \$1.23
6	↓	Canberra	\$28.96	- \$1.88
7		Hobart	\$22.69	-
8		Perth	\$16.64	- \$0.04
		Capital avg.	\$29.83	+ \$1.28

Rank

1	↑	Alice Springs	\$33.07	+ \$7.20
2	↓	Mount Gambier	\$30.67	+ \$3.31
3		Townsville	\$27.50	+ \$1.81
4		Wagga Wagga	\$23.83	- \$1.45
5		Geelong	\$22.64	+ \$0.85
6		Launceston	\$18.09	-
7		Bunbury	\$13.67	- \$0.36
		Regional avg.	\$24.21	+ \$1.62



# Transport costs by category

Per week

Per household



## Servicing and tyres

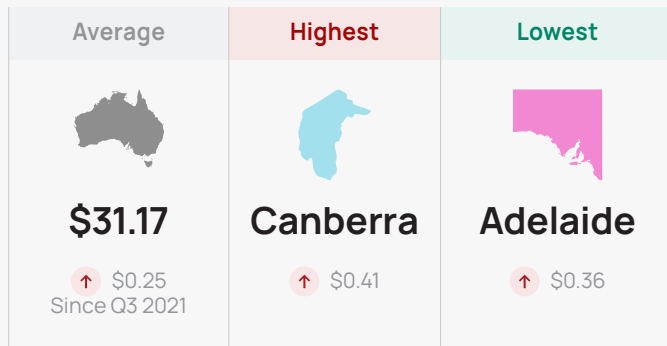
The cost of servicing and tyres increased slightly over the December quarter for both the typical capital city and regional households.

Overall, the cost of maintaining a representative new and used car remained highest in Canberra and lowest in Adelaide, with a typical Canberra household paying \$787 more per year than Adelaide.

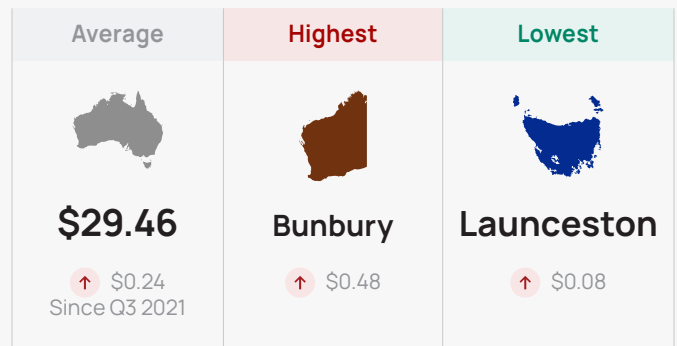
Among the regional locations Bunbury replaced Alice Springs as the household with the highest costs (previously second-highest). Launceston remained the cheapest, with families in Bunbury paying \$583 more on an annual basis.










### Capital cities



### Regional



#### Rank

1		<b>Canberra</b>	\$40.48	<b>+\$0.41</b>
2	↑ 	<b>Perth</b>	\$32.55	<b>+\$0.44</b>
3	↓ 	<b>Melbourne</b>	\$32.47	<b>+\$0.33</b>
4		<b>Sydney</b>	\$31.71	<b>-\$0.14</b>
5		<b>Darwin</b>	\$31.52	<b>+\$0.12</b>
6		<b>Hobart</b>	\$29.67	<b>+\$0.11</b>
7		<b>Brisbane</b>	\$25.59	<b>+\$0.42</b>
8		<b>Adelaide</b>	\$25.34	<b>+\$0.36</b>
		<b>Capital avg.</b>	\$31.17	<b>+\$0.25</b>

#### Rank

1	↑ 	<b>Bunbury</b>	\$35.16	<b>+\$0.48</b>
2	↓ 	<b>Alice Springs</b>	\$34.81	<b>+\$0.14</b>
3		<b>Geelong</b>	\$31.09	<b>+\$0.31</b>
4		<b>Wagga Wagga</b>	\$29.73	<b>-\$0.13</b>
5		<b>Townsville</b>	\$26.08	<b>+\$0.43</b>
6		<b>Mount Gambier</b>	\$25.44	<b>+\$0.36</b>
7		<b>Launceston</b>	\$23.94	<b>+\$0.08</b>
		<b>Regional avg.</b>	\$29.46	<b>+\$0.24</b>



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# Transport costs by category

Per week

Per household



## Fuel

The average Australian capital city retail price of regular unleaded petrol rose by 12.4 cents to 166.4 cents per litre, costing the typical city household \$337 more per year. Hobart replaced Sydney as the capital city with the highest fuel expenditure (previously second-highest); its average petrol price was up 19.6 cents to 175.8 cents per litre in the December quarter. Adelaide remained the city with the lowest fuel prices and expenditure, paying 158.1 cents per litre, up 12.3 cents from the September quarter.

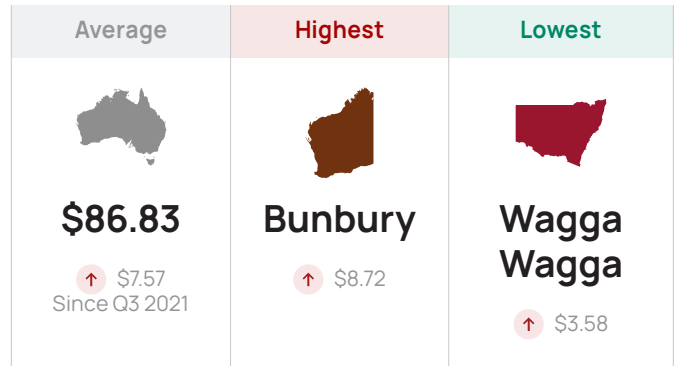
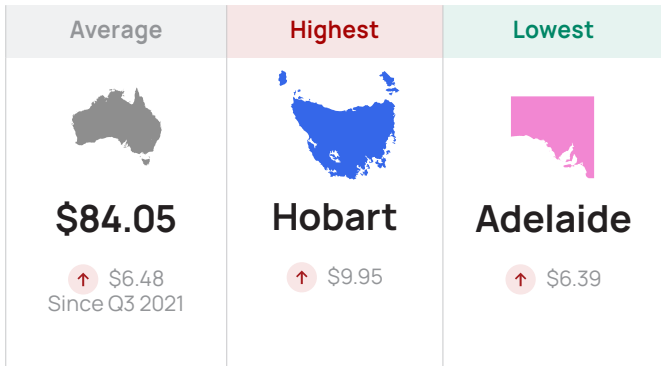
Averaged across the regions, the cost of petrol increased by 13.9 cents to 163.9 cents per litre. Alice Springs remained the centre with the highest prices at 173.4 cents per litre while Geelong remained the cheapest at 155.9 cents per litre. The typical household in Bunbury continued to have the highest fuel expenditure among the regional centres, at \$5,428 per year, because research shows that Bunbury residents tend to drive longer distances than people in the other centres. Wagga Wagga continued to have the lowest expenditure at \$2,989 per year because its residents typically drive less.



## Capital cities










## Regional



Rank

1	↑		<b>Hobart</b>	\$88.75	<b>+\$9.95</b>
2	↓		<b>Sydney</b>	\$86.11	<b>+\$4.43</b>
3	↑		<b>Canberra</b>	\$84.96	<b>+\$7.60</b>
4	↑		<b>Darwin</b>	\$84.07	<b>+\$7.92</b>
5	↓		<b>Brisbane</b>	\$83.64	<b>+\$4.37</b>
6	↑		<b>Perth</b>	\$82.75	<b>+\$7.08</b>
7	↓		<b>Melbourne</b>	\$82.14	<b>+\$4.10</b>
8			<b>Adelaide</b>	\$80.02	<b>+\$6.39</b>
			<b>Capital avg.</b>	\$84.05	<b>+\$6.48</b>

Rank

1		<b>Bunbury</b>	\$104.38	<b>+\$8.72</b>
2		<b>Geelong</b>	\$99.49	<b>+\$9.18</b>
3		<b>Launceston</b>	\$98.07	<b>+\$9.49</b>
4		<b>Alice Springs</b>	\$91.12	<b>+\$7.89</b>
5		<b>Mount Gambier</b>	\$90.17	<b>+\$7.57</b>
6		<b>Townsville</b>	\$67.10	<b>+\$6.54</b>
7		<b>Wagga Wagga</b>	\$57.47	<b>+\$3.58</b>
		<b>Regional avg.</b>	\$86.83	<b>+\$7.57</b>

# Transport costs by category

Per week

Per household



## Public transport

The cost of public transport remained unchanged across all cities in the December quarter. With the lowest expenditure, the typical Darwin household spends \$42.10 per week (\$2,189 per year) less on public transport costs than its equivalent household in Perth, which has the highest cost.



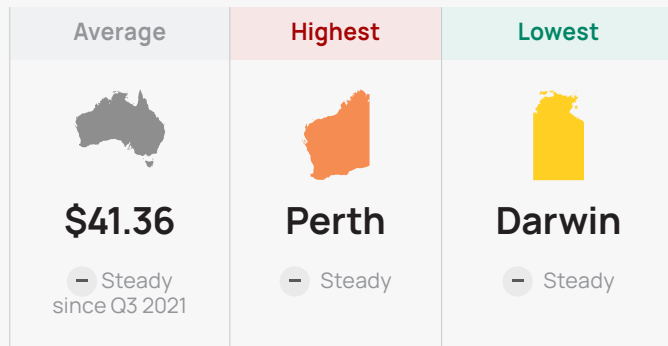
## Toll roads

Only three Australian cities – Sydney, Melbourne and Brisbane – use toll roads. Costs increased by \$35 per year in Sydney and increased by \$31 per annum in Melbourne due to a scheduled price adjustment.

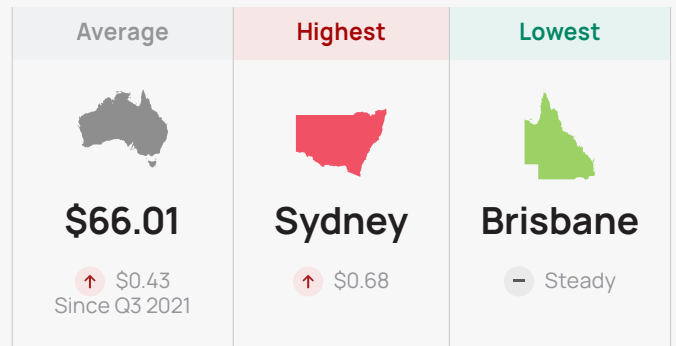
The typical Sydney household continues to incur the greatest costs for toll roads, while Brisbane remained the one with the lowest toll costs. The typical Brisbane household spends \$35.22 per week (or \$1,831 per year) less on tolls than the one in Sydney.



## Capital cities







## Capital cities



Rank

1		<b>Perth</b>	\$62.10	-
2		<b>Brisbane</b>	\$56.52	-
3		<b>Sydney</b>	\$50.00	-
4		<b>Melbourne</b>	\$45.00	-
5		<b>Adelaide</b>	\$39.50	-
6		<b>Canberra</b>	\$29.72	-
7		<b>Hobart</b>	\$28.00	-
8		<b>Darwin</b>	\$20.00	-
		<b>Capital avg.</b>	\$41.36	-

Rank

1		<b>Sydney</b>	\$88.92	+ \$0.68
2		<b>Melbourne</b>	\$55.40	+ \$0.60
3		<b>Brisbane</b>	\$53.70	-
		<b>Avg.</b>	\$66.01	+ \$0.43



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# Transport costs by category

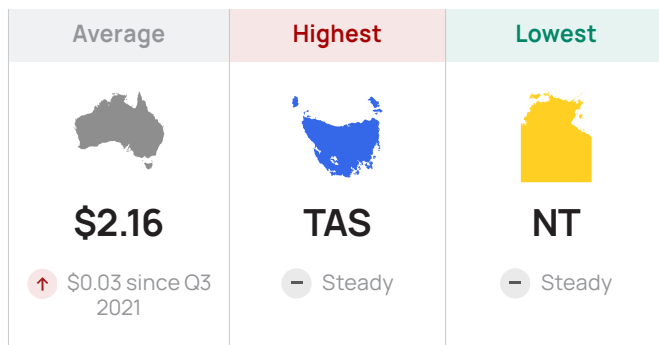
Per week

Per household







## Roadside assistance

The differences between states for roadside assistance costs are not large. Tasmania had the highest ongoing roadside assistance costs at \$121 per year, while the Northern Territory had the lowest at \$99 per year. Roadside assistance costs are based on state and Northern Territory motoring clubs' basic or standard packages, but services included in these packages vary from club to club. The Index assumes that the regional households face the same costs as their capital city counterparts because roadside assistance providers offer standard state-wide pricing.

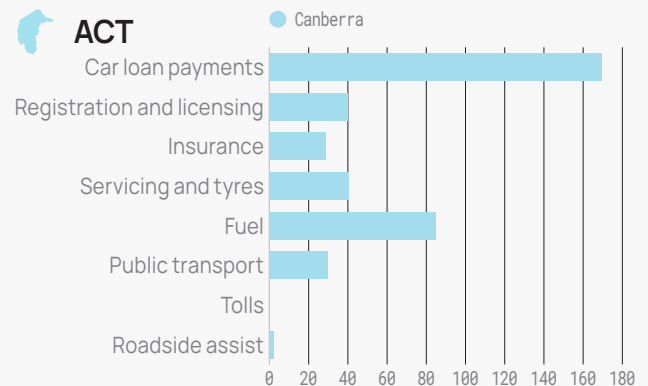
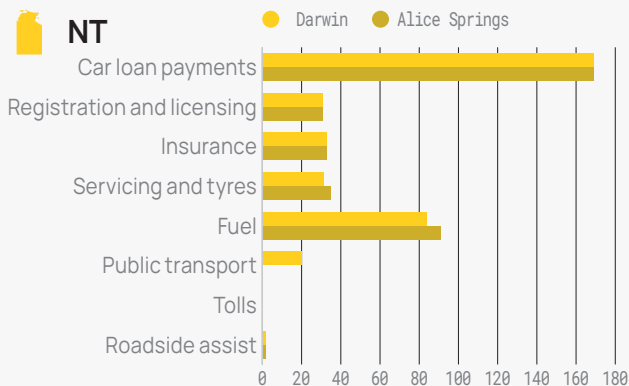
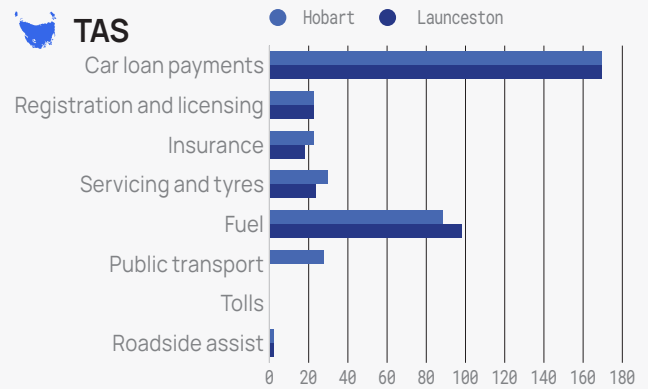
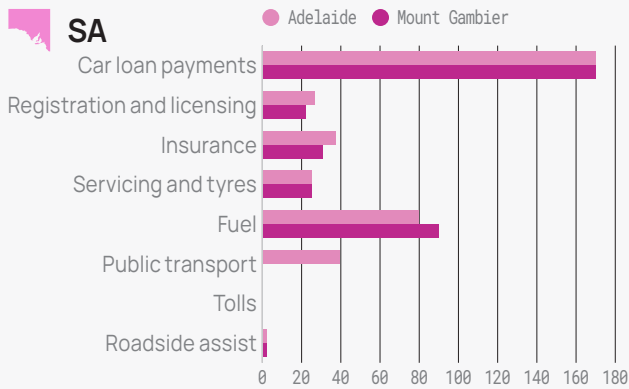
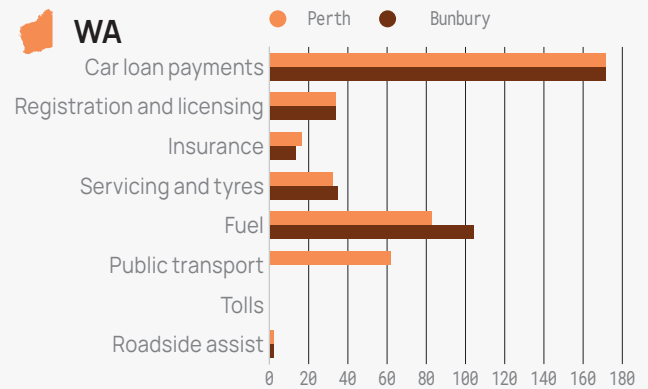
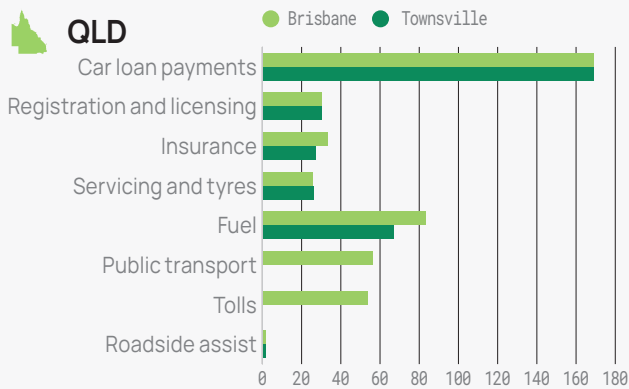
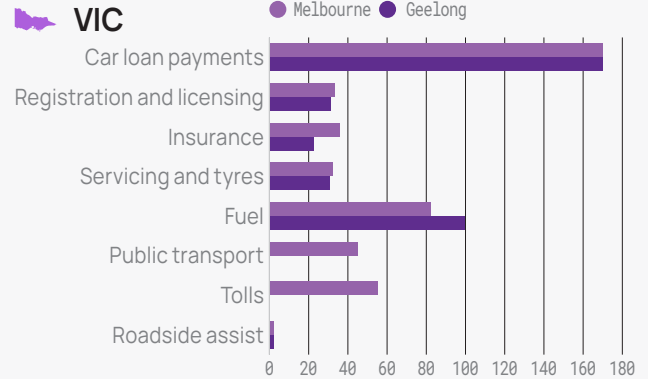
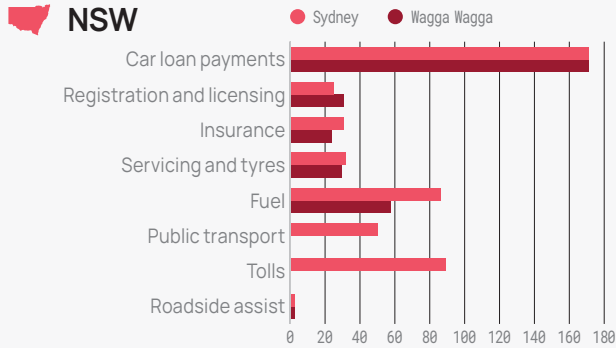


### Rank

1		TAS	\$2.33	-
2	↑ 	NSW	\$2.31	+ \$0.13
2	↑ 	ACT	\$2.31	+ \$0.13
4	↓ 	VIC	\$2.27	-
5		WA	\$2.13	-
6		SA	\$2.06	-
7		QLD	\$1.94	-
8		NT	\$1.90	-
		Avg.	\$2.16	+ \$0.03

# State by state overview

## Capital city vs regional centre comparison





## Sydney

In the December quarter, Sydney transport costs increased by \$394 per year and it remained Australia's most expensive city for transport. This was mainly due to higher fuel expenditure and car loan payments which rose by \$231 and \$192 per year, respectively assuming costs remained constant.

## Wagga Wagga

Wagga Wagga remained the benchmark regional centre with the lowest transport costs – both in total cost (at \$16,392 a year) and in terms of the local income-to-cost ratio. Its costs increased by \$303 per annum, driven largely by higher fuel expenditure which rose by \$186 per year and car loan payments which increased in-line with Sydney.

cost rank <b>1 / 8</b>		affordability rank <b>5 / 8</b>	
Total transport costs <b>\$485.13</b>		% of income <b>15.7%</b>	
↑ \$7.57 since Q3 2021		↑ 0.2% since Q3 2021	

cost rank <b>7 / 7</b>		affordability rank <b>7 / 7</b>	
Total transport costs <b>\$315.23</b>		% of income <b>11.2%</b>	
↑ \$5.82 since Q3 2021		↑ 0.2% since Q3 2021	

## Changes in transport category costs

**↑ Increased**

- Car loan payments = \$3.69
- Fuel = \$4.43
- Tolls = \$0.68
- Roadside assistance = \$0.13

**– Unchanged**

- Rego, CTP & licensing
- Public transport

**↓ Decreased**

- Insurance = -\$1.23
- Servicing & tyres = -\$0.14

**↑ Increased**

- Car loan payments = \$3.69
- Fuel = \$3.58
- Roadside assistance = \$0.13

**– Unchanged**

- Rego, CTP & licensing

**↓ Decreased**

- Insurance = -\$1.45
- Servicing & tyres = -\$0.13



## Melbourne

Melbourne remained Australia's second most expensive city for transport. The typical household spent the equivalent of \$23,770 a year – an increase of \$528 per annum from the previous quarter. This was mostly due to fuel expenditure and car loan payments which rose by \$213 and \$198 per annum, respectively.

## Geelong

Geelong had yearly transport costs of \$18,578 and became the regional centre with the third-highest costs. Geelong's transport costs increased by \$736 a year, mostly because of higher fuel expenditure which rose by \$477 per annum and car loan payments which increased in-line with Melbourne.

cost Rank <b>2 / 8</b>		affordability rank <b>3 / 8</b>	
Total transport costs <b>\$457.12</b>		% of income <b>16.7%</b>	
↑ \$10.15 since Q3 2021		↑ 0.4% since Q3 2021	

cost rank <b>3 / 7</b>		affordability rank <b>5 / 7</b>	
Total transport costs <b>\$357.28</b>		% of income <b>13.6%</b>	
↑ \$14.15 since Q3 2021		↑ 0.5% since Q3 2021	

## Changes in transport category costs

**↑ Increased**

- Car loan payments = \$3.81
- Insurance = \$1.31
- Servicing & tyres = \$0.33
- Fuel = \$4.10
- Tolls = \$0.60

**– Unchanged**

- Rego, CTP & licensing
- Public transport
- Roadside assistance

**↓ Decreased**

**↑ Increased**

- Car loan payments = \$3.81
- Insurance = \$0.85
- Servicing & tyres = \$0.31
- Fuel = \$9.18

**– Unchanged**

- Rego, CTP & licensing
- Roadside assistance

**↓ Decreased**



# QLD weekly transport costs

Per week

Per household

## Brisbane

Brisbane's typical household had transport costs of \$23,644 a year made it Australia's third highest city for transport costs and second-least affordable capital. Transport costs increased by \$554 a year, largely due to higher fuel expenditure and car loan payments, which was up \$227 and \$187 a year, respectively.

## Townsville

The Townsville typical household's transports costs increased by \$648 to \$16,760 a year in the December quarter. This increase was largely due to higher fuel prices with net expenditure increasing by \$340 per year as well as car loan payments which rose in-line with Brisbane. Townsville remained the second least expensive and the second most affordable regional centre.

cost rank <b>3 / 8</b>		affordability rank <b>2 / 8</b>	
<b>Total transport costs</b> <b>\$454.70</b>		<b>% of income</b> <b>17.7%</b>	
↑ \$10.65 since Q3 2021		↑ 0.4% since Q3 2021	

cost rank <b>6 / 7</b>		affordability rank <b>6 / 7</b>	
<b>Total transport costs</b> <b>\$322.30</b>		<b>% of income</b> <b>13.1%</b>	
↑ \$12.46 since Q3 2021		↑ 0.5% since Q3 2021	

### Changes in transport category costs

<b>↑ Increased</b>	
Car loan payments = \$3.60	
Rego, CTP & licensing = \$0.08	
Insurance = \$2.18	
Servicing & tyres = \$0.42	
Fuel = \$4.37	
<b>– Unchanged</b>	
Public transport	
Tolls	
Roadside assistance	
<b>↓ Decreased</b>	

<b>↑ Increased</b>	
Car loan payments = \$3.60	
Rego, CTP & licensing = \$0.08	
Insurance = \$1.81	
Servicing & tyres = \$0.43	
Fuel = \$6.54	
<b>– Unchanged</b>	
Roadside assistance	
<b>↓ Decreased</b>	





# SA weekly transport costs

Per week

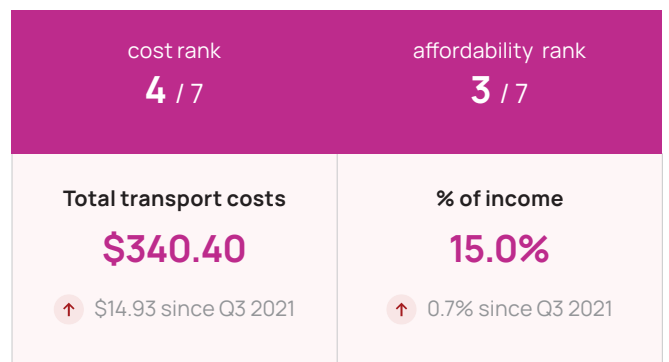
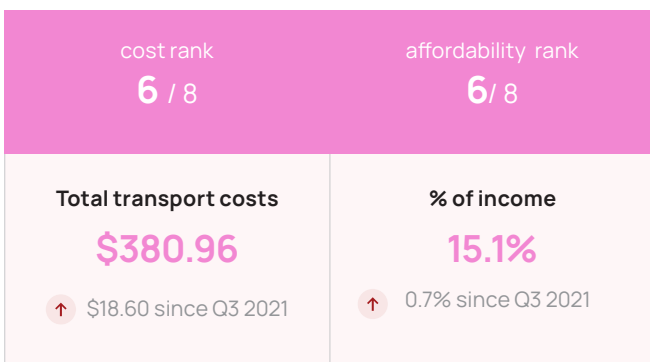
Per household

## Adelaide

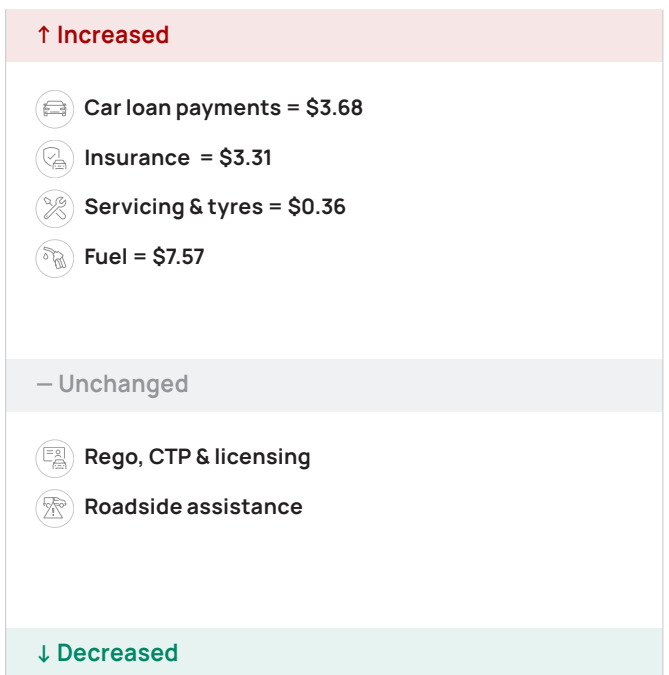
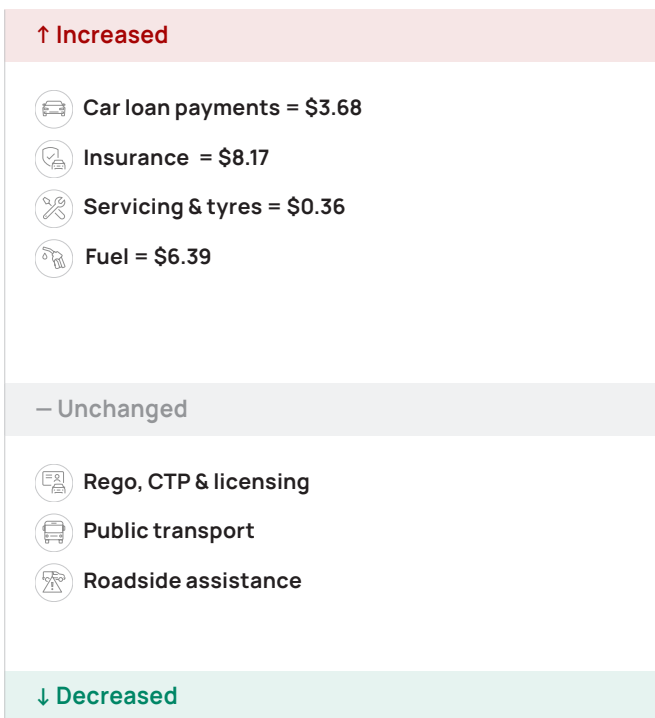
Adelaide's household transport costs rose by \$967 to \$19,810 per annum. This increase was mainly due to higher insurance premiums which increased by \$425 per annum. Fuel expenditure and car loan payments also rose considerably by \$332 and \$192 per annum, respectively.

## Mount Gambier

Mount Gambier's typical household spent \$17,701 per year on transport – an increase of \$776 from the previous quarter. This increase was mainly due to higher fuel expenditure (up by \$394 per year) and car loan payments (up in-line with Adelaide).



### Changes in transport category costs





# WA weekly transport costs

Per week

Per household

## Perth

In the December quarter, Perth's typical household saw an increase in transport costs of \$585 to \$20,889 per annum. This increase was mainly due to fuel expenditure and car loan payments, which were up by \$368 and \$197 per year, respectively.

## Bunbury

Bunbury's typical household transport costs rose by \$657 to \$18,766 per annum. The overall increase was driven by rises in fuel prices, where expenditure rose by \$453 per annum as well as car loan payments which rose in-line with Perth. Bunbury became the regional centre with the second-highest transport costs.

cost rank <b>4 / 8</b>		affordability rank <b>7 / 8</b>	
<b>Total transport costs</b> <b>\$401.71</b>		<b>% of income</b> <b>14.9%</b>	
↑ \$11.26 since Q3 2021		↑ 0.4% since Q3 2021	

cost rank <b>2 / 7</b>		affordability rank <b>4 / 7</b>	
<b>Total transport costs</b> <b>\$360.88</b>		<b>% of income</b> <b>14.4%</b>	
↑ \$12.63 since Q3 2021		↑ 0.5% since Q3 2021	

## Changes in transport category costs

<b>↑ Increased</b>	
Car loan payments = \$3.78	
Servicing & tyres = \$0.44	
Fuel = \$7.08	
<b>– Unchanged</b>	
Rego, CTP & licensing	
Public transport	
Roadside assistance	
<b>↓ Decreased</b>	
Insurance = -\$0.04	

<b>↑ Increased</b>	
Car loan payments = \$3.78	
Servicing & tyres = \$0.48	
Fuel = \$8.72	
<b>– Unchanged</b>	
Rego, CTP & licensing	
Roadside assistance	
<b>↓ Decreased</b>	
Insurance = -\$0.36	



## Hobart

Hobart's typical household spent \$18,916 per year on transport – an increase of \$708 from the previous quarter. This was mainly due to higher fuel expenditure (up by \$517 per annum) and car loan payments (up by \$185 per annum). Hobart remained Australia's capital city with the lowest transport costs, but was also the least affordable in terms of purchasing power.

## Launceston

Launceston's household transport costs were equivalent to \$17,407 a year – an increase of \$683 per annum. This was mainly due to higher fuel expenditure (up by \$493 per annum) and car loan payments which increased in-line with Hobart. Launceston had the lowest average earnings among all the cities and centres and remained the least affordable regional centre for transport. Launceston was one of only two regional centres where transport costs were less affordable than its city counterpart.

cost rank <b>8 / 8</b>		affordability rank <b>1 / 8</b>	
Total transport costs <b>\$363.76</b>		% of income <b>18.2%</b>	
↑ \$13.62 since Q3 2021		↑ 0.7% since Q3 2021	

cost rank <b>5 / 7</b>		affordability rank <b>1 / 7</b>	
Total transport costs <b>\$334.76</b>		% of income <b>18.5%</b>	
↑ \$13.13 since Q3 2021		↑ 0.7% since Q3 2021	

## Changes in transport category costs

**↑ Increased**

- Car loan payments = \$3.57
- Servicing & tyres = \$0.11
- Fuel = \$9.95

**– Unchanged**

- Rego, CTP & licensing
- Insurance
- Roadside assistance

**↓ Decreased**

**↑ Increased**

- Car loan payments = \$3.57
- Servicing & tyres = \$0.08
- Fuel = \$9.49

**– Unchanged**

- Rego, CTP & licensing
- Insurance
- Roadside assistance

**↓ Decreased**



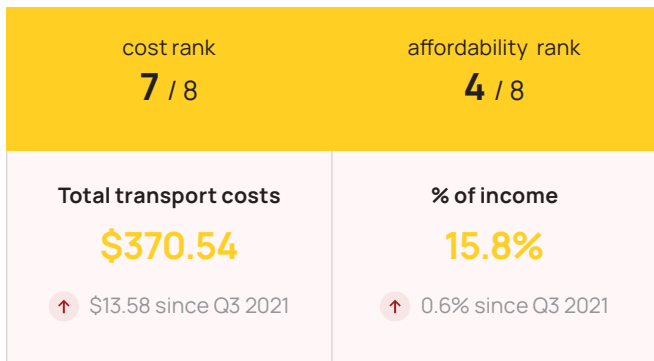
# NT weekly transport costs

Per week

Per household

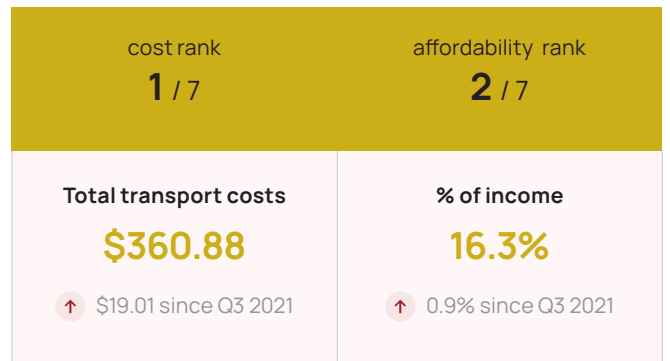
## Darwin

Darwin's typical household spent \$19,268 a year on transport, an increase of \$706 from the previous quarter. This was due largely to higher fuel expenditure and car loan payments, which were up by \$412 and \$197 per annum, respectively. Darwin remained the city with the second lowest transport costs.

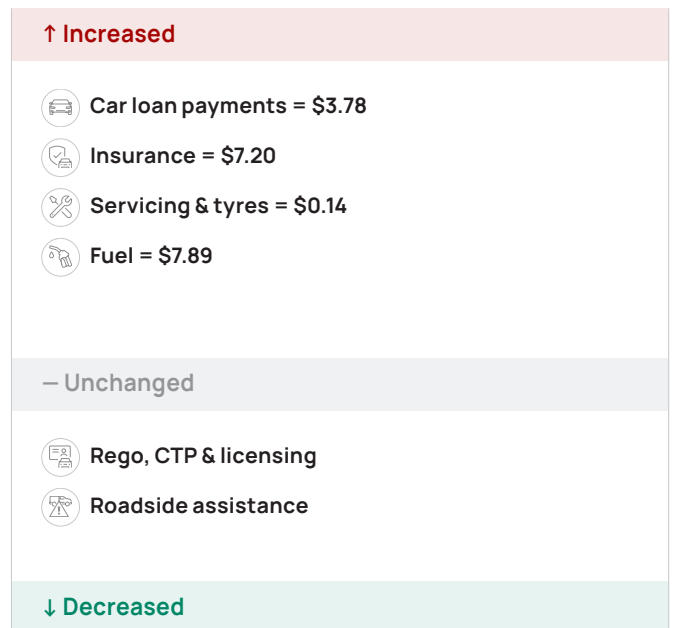
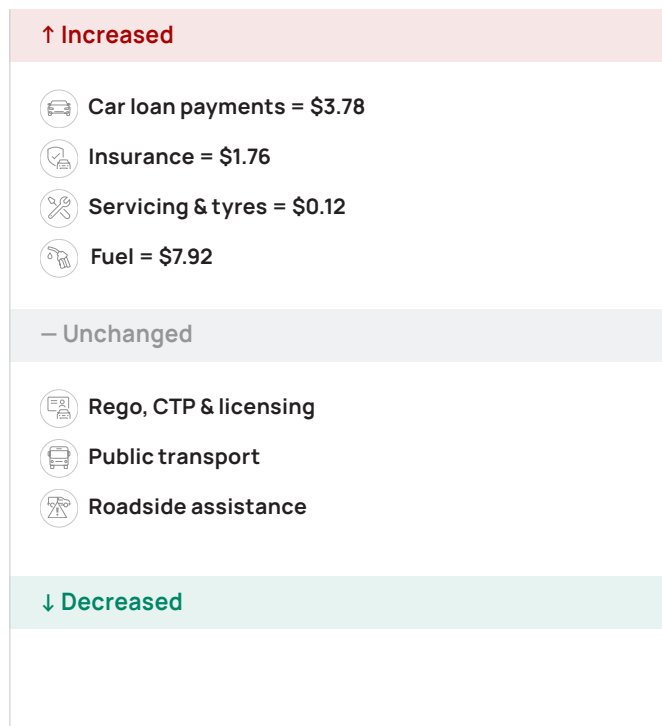


## Alice Springs

Alice Springs replaced Bunbury as the regional centre with the highest transport costs (previously third-highest) – which equated to \$18,766 a year, \$989 higher than the previous quarter – and one of only two regional centres where transport costs were less affordable than its city counterpart. This quarterly increase was largely due to higher insurance premiums which increased by \$410 per annum. Net fuel expenditure and car loan payments also increased considerably by \$375 and \$197 per annum, respectively.



## Changes in transport category costs





## Canberra

Canberra's typical household spent \$20,581 per annum on transport, which was \$489 more than recorded in the previous quarter. This increase was largely driven by higher fuel expenditure which rose by \$395 per annum and car loan payments which rose by \$163 per annum. Canberra's high median income made it the most affordable city in the December quarter.

cost rank	affordability rank
<b>5 / 8</b>	<b>8 / 8</b>
<b>Total transport costs</b> <b>\$395.78</b> ↑ \$9.40 since Q3 2021	<b>% of income</b> <b>14.1%</b> ↑ 0.3% since Q3 2021

## Changes in transport category costs

↑ Increased
<ul style="list-style-type: none"> <li>Car loan payments = \$3.14</li> <li>Servicing &amp; tyres = \$0.41</li> <li>Fuel = \$7.60</li> <li>Roadside assistance = \$0.13</li> </ul>
– Unchanged
<ul style="list-style-type: none"> <li>Rego, CTP &amp; licensing</li> <li>Public transport</li> </ul>
↓ Decreased
<ul style="list-style-type: none"> <li>Insurance = -\$1.88</li> </ul>



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# Background and methodology

## Overview

The Australian Automobile Association (AAA) commissioned SGS Economics and Planning (SGS) to design and develop the Transport Affordability Index. Initially the Index analysed only the capital cities across Australia, but since the June 2017 quarter the Index includes a regional household in every state and the Northern Territory.

The Index provides a snapshot of the costs of transport for typical households in Australia and is regularly updated to show how transport costs change relative to incomes. The baseline is the first quarter (January to March) of 2016 for the city households and the second quarter (April to June) of 2017 for the regional households.

The characteristics of the household reflect the most common or average characteristics of the population. In some cases, household characteristics have been chosen to ensure some typical transport costs are well illustrated, while still being representative. The hypothetical households in different regions are largely identical to allow for ready comparison.

The Index considers a full range of costs families face when they own a car, as well as public transport costs. These fall into two broad categories: upfront costs and ongoing costs. Upfront costs include purchase costs for a new vehicle such as interest payments, registration, stamp duty, compulsory third party (CTP) insurance, driver's licences, comprehensive car insurance and roadside assistance. Ongoing costs (fuel costs, tolls and car maintenance) increase the more the vehicle is driven. Public transport costs for a city household's typical commute to work are also measured, as these form a growing share of weekly expenses.

While the AAA recognises that vehicle depreciation represents a significant, often hidden cost to families, this cost has not been included in the Index. The Index seeks to account for the actual weekly transport cash outflow for an average Australian household, covering costs that must be factored into the weekly family budget; depreciation is not usually accounted for in this way. Similarly, parking costs have not been included in the Index because consistent data is not available.

The Index seeks to compare the affordability of household transport costs across Australia by comparing them with an estimate of the hypothetical household's median weekly income. Total household transport costs in each city are compared with the average income of a typical family in that city to illustrate the proportion of income spent on transport-related costs.

As the Index is updated over time, a clearer picture will emerge of which household transport costs are putting pressure on Australian household budgets, and whether this differs across the country's capital cities and regional centres. The Index allows the AAA to assess the impact of proposed government policies on the average weekly budget. Families will also be better informed about how their decisions about transport affect their overall household budgets.

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## The hypothetical household

The hypothetical household is a couple with children, the most common type of household in Australia according to the 2016 census. The couple consists of a 38-year-old woman and a 36-year-old man, which are the average ages for men and women in Australia. They live in a detached house and have two cars. Both are employed.

### City household

In each city, the hypothetical household is assumed to live in middle to outer ring suburbs with relatively high population density, good access to public transport, and in the case of Sydney, Melbourne and Brisbane, that the family uses toll roads to access the CBD. In Sydney, the Index assumes that one member of the family uses toll roads only two days per week to travel to the CBD because toll costs are high and alternate routes are available. It assumes one member of the benchmark household uses toll roads every weekday in Melbourne and Brisbane. (Sydney vehicle owners are also eligible for free vehicle registration costs under the state's Toll Relief Scheme, and this is factored into the calculations.)

A typical Australian passenger vehicle is driven 13,800 kilometres per year and is 9.8 years old. Correspondingly, for the city household, the model assumes that the household's two motor vehicles are driven 15,000 and 10,000 kilometres per year. The car that drives 10,000 kilometres per year is assumed to be 10 years old and owned outright. The car that drives 15,000 kilometres per year is assumed to be a near-new vehicle and financed with a car loan. In addition, one member of the household is assumed to travel by public transport into the CBD and home again, five days per week.

### Regional household

There are key differences between metropolitan and regional households transport costs. The Index assumes that the regional household:

- on average, travels further than the city household
- pays more for petrol than the city household in some locations because they usually drive more and generally face higher fuel prices than their city counterparts
- on average, earns less than their city counterparts
- pays less for insurance because most states offer lower comprehensive premiums on new and used cars in regional areas
- doesn't pay road tolls
- doesn't pay for public transport as there is little or no availability in regional areas.

Registration, CTP and licensing costs are cheaper for regional households in South Australia and Victoria because state government policies impose different regional and metropolitan pricing structures in relation to CTP premiums. At the time of publication, these costs were \$239 cheaper in regional South Australia and \$110 cheaper in Victoria due to lower CTP premiums.

The regional locations chosen for analyses were selected as they have populations of over 10,000 people, have relatively dense population (at the SA2 ABS level), have ages similar to the average ages in the hypothetical city household, have a reasonable proportion of detached housing and have a substantial proportion of couple family households with children.

The regional locations included for comparison are:

- Wagga Wagga
- Geelong
- Townsville
- Bunbury
- Mount Gambier
- Launceston
- Alice Springs

The underlying assumptions for the regional household are largely the same as for the city household, but vehicle use and household income have been adjusted. The Index also assumes that regional households do not use public transport because services are very limited in those areas. As there are no toll roads in any of the regional locations, this cost has also been excluded.

### Other considerations

The method of calculating the car usage for each regional location has been based on BITRE 2015 data that analysed the average commuting distance for each centre based on size and location.<sup>1</sup> These estimated commuting distances were divided by the average commuting distance of the capital city in that jurisdiction. This ratio was then multiplied by the car use distance of the master household to estimate the hypothetical household's car use in regional cities.

Using the BITRE assumptions, all regional households travelled further than their city counterparts, except in Townsville and Wagga Wagga. In these locations, the cities are smaller than the capital city and too far for people to commute to the capital for work or leisure. Households in

Townsville and Wagga Wagga may also drive less during the week to get to work, run errands and access social activities. By comparison, people in Geelong travel more because they are close enough to Melbourne to commute regularly for work or leisure, so total distances travelled are greater. The regional city is selected to be compared to its city counterpart rather than compared to other regional centres given that distances travelled vary.

The cost of servicing a new car is the same across both regional and city locations, as these costs are based on the manufacturers' servicing schedule. Costs associated with the older car, and tyres for both cars, are based on data from the ABS Household Expenditure Survey (HES)<sup>2</sup> and indexed in line with the CPI for maintenance and repair of motor vehicles.<sup>3</sup> The difference between regional and city households is attributable to differences in the cost of servicing the older car and the cost of tyres.

The incomes used for the regional locations have been calculated as a proportion of the average income for the figures used for the capital cities using data from the 2016 Census. For example, the household income of a couple family with children in Wagga Wagga was 91.25 per cent of that of the average Sydney income for a couple family with children. The Index has therefore calculated the income for Wagga Wagga as 91.25 per cent of the city household's income. Using this method, all regional households reported lower weekly earnings than their city counterparts.

For the purposes of this report, the term 'typical household' refers to a hypothetical household as defined above. Further information on the methodology and assumptions used to generate the AAA's Transport Affordability Index can be found in SGS Economics' final report on the AAA's website.



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## End notes

1. Commonwealth of Australia, 2015. Information Sheet 73: Australia's commuting distance: cities and regions. Bureau of Infrastructure, Transport and Regional Economics. Accessed 21 January 2019. [https://www.bitre.gov.au/sites/default/files/is\\_073.pdf](https://www.bitre.gov.au/sites/default/files/is_073.pdf)

2. Australian Bureau of Statistics, 2017. Household Expenditure Survey, Australia: Summary of Results, 2015-2016, cat. no. 6530.0. Accessed 7 February 2020. <https://www.abs.gov.au/AUSSTATS/abs@nsf/Lookup/6530.0Main+Features12015-16?OpenDocument>

3. Australian Bureau of Statistics, 2019. Consumer Price Index, Australia, Sept 2020, cat. no. 6401.0. Accessed 28 October 2020. <https://www.abs.gov.au/ausstats/abs@nsf/mf/6401.0>

4. SGS Economics and Planning, 2016. Transport Affordability Index Final Report. August 2016. Accessed 1 February 2019. <https://www.aaa.asn.au/wp-content/uploads/2016/08/sgs-report-aaa-transport-affordability-index.pdf>

