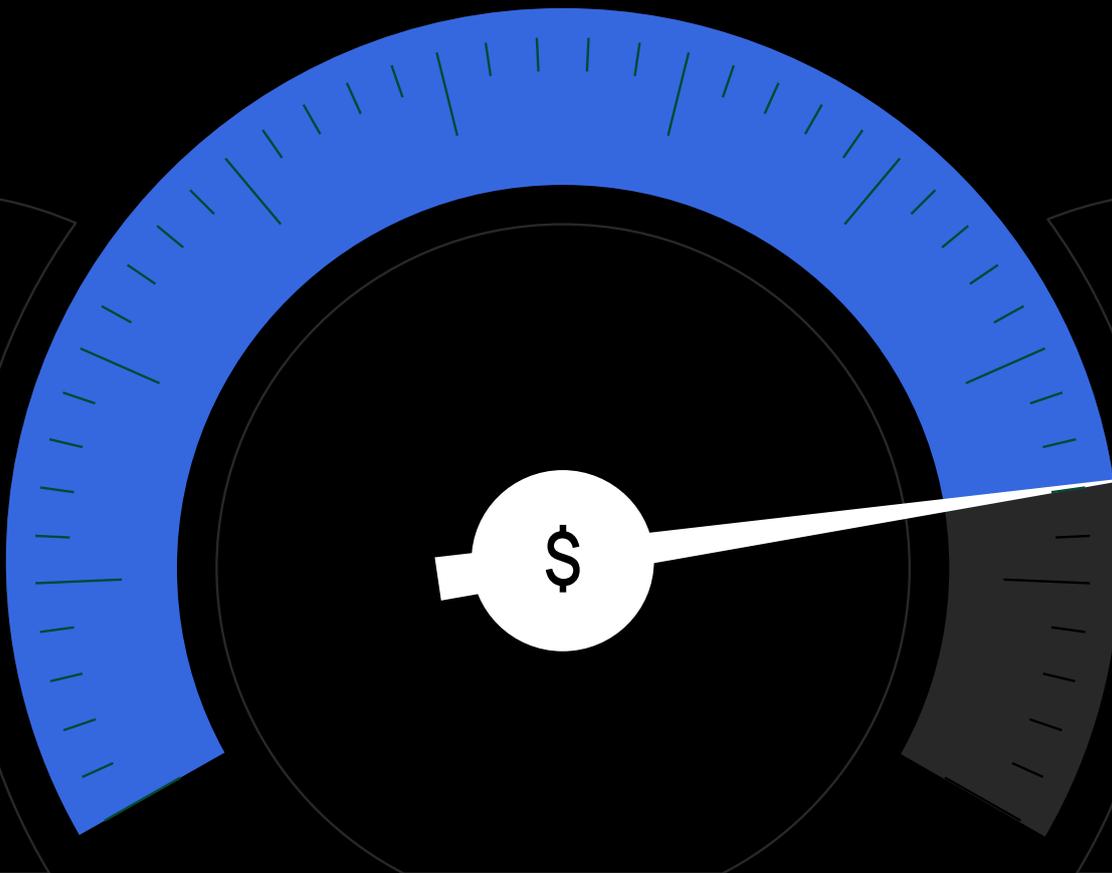


# Transport Affordability Index

Q3  
2022

QUARTER 3, 2022  
Released November 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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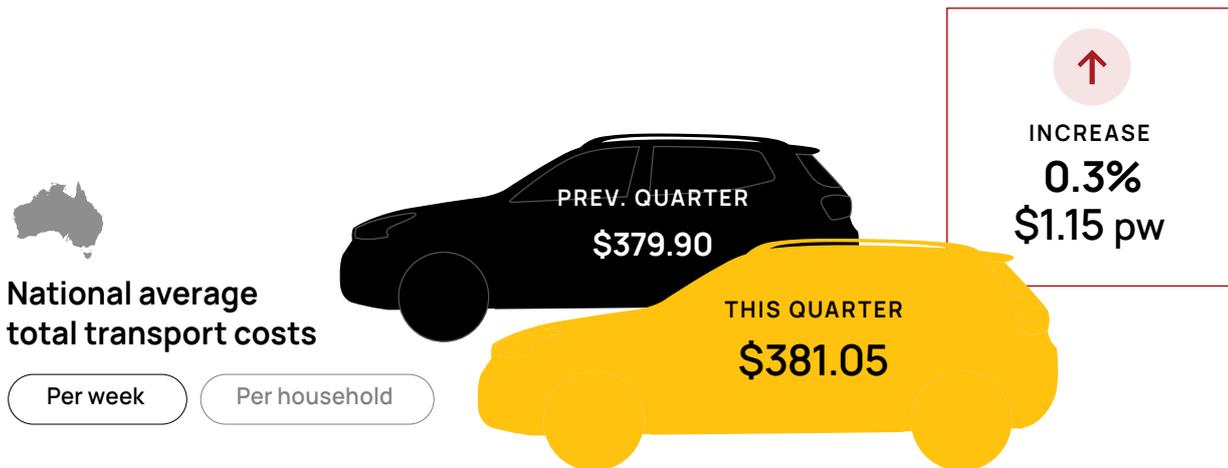
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# Transport costs continue to rise across Australia



The latest edition of the AAA Transport Affordability shows household transport costs continued to rise throughout the September quarter with Sydney, Melbourne and Brisbane remaining Australia's most expensive cities.

The latest findings also show the typical household now spends 14.9 percent of its income on transport costs.

The latest quarterly results include the final three months of the temporary halving of the fuel excise rate, annual inflation at 7.3% and higher vehicle prices affecting car loan repayments.

The AAA data shows the typical weekly household transport cost in capital city households is now \$413.53 and \$343.93 in regional households.

Compared to the previous quarter (Q2 2022), weekly car loan repayments rose in every city tracked in the index whether regional or a capital.

While fuel prices declined by the end of the last quarter (before the return of the full fuel excise rate), the typical Australian household (\$96.93 per week) is still paying \$18.57 per week more than this time last year (\$78.36 per week Q3 2021) in fuel expenditure.

The AAA data shows Sydney is still Australia's most expensive capital city with typical weekly transport costs averaging \$485.68, followed by Melbourne (\$463.64) and Brisbane (\$458.38).

Alice Springs is Australia's most expensive regional city at \$377.85 per week. Geelong (\$364.06) has replaced Bunbury (\$363.48) as the second most expensive regional city.

The Tasmanian cities of Launceston (18%) and Hobart (17.6%), followed by Brisbane (17%) had the highest transport costs as a proportion of household income.

The Affordability Index continues to show that transport costs are placing a significant strain on household budgets.

It is a timely reminder for all levels of government that they need to carefully consider policies that may add to transport cost of living pressures across both regional and metropolitan Australia.



**Michael Bradley**  
Managing Director  
Australian Automobile Association

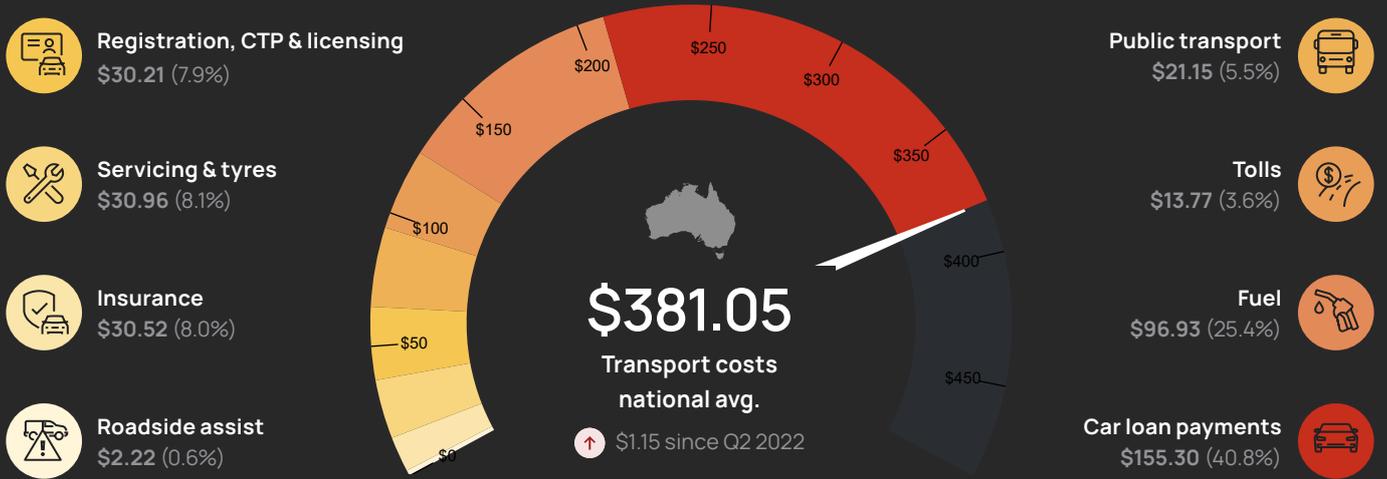
KEY FIGURES

# Quarter 3 2022

## Total transport costs

Per week

Per household



### Capital cities

### Regional

Total costs

AVERAGE	HIGHEST	LOWEST
<p><b>\$413.53</b></p> <p>↑ +\$1.32 Since Q2 2022</p>	<p><b>Sydney</b></p> <p>↓ -\$0.50</p>	<p><b>Hobart</b></p> <p>↑ +\$0.79</p>

Total costs

AVERAGE	HIGHEST	LOWEST
<p><b>\$343.93</b></p> <p>↑ +\$0.95 Since Q2 2022</p>	<p><b>Alice Springs</b></p> <p>↑ +\$7.26</p>	<p><b>Wagga Wagga</b></p> <p>↑ +\$2.20</p>

Affordability (% of income)

<p><b>15.4%</b></p> <p>↓ -0.2% Since Q2 2022</p>	<p><b>Hobart</b></p> <p>↓ -0.6%</p>	<p><b>Perth</b></p> <p>↓ -0.5%</p>
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Affordability (% of income)

<p><b>14.2%</b></p> <p>↓ -0.3% Since Q2 2022</p>	<p><b>Launceston</b></p> <p>↓ -0.6%</p>	<p><b>Wagga Wagga</b></p> <p>↑ +0.1%</p>
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# Total transport costs

Per year

Per household

VIEW COSTS PER WEEK (PAGE 6) →



## Capital cities

### Capital average



**\$21,504**

↑ +\$69 since Q2 2022

In the September quarter, the typical Australian city household's average annualised cost of transport increased by \$69 to \$21,504. Transport taxes – in the form of fuel excise, registration, compulsory third party (CTP) insurance and licensing – cost the typical two-car city family \$2,213 annually – an increase of \$58.

The greatest increase in transport costs was recorded in Brisbane – equivalent to \$201 per year. This was mainly due to higher toll road costs which rose by \$172 in annual costs.

1	2	3	4
 <p><b>Sydney</b> \$25,255</p> <p>↓ -\$26 since Q2 2022</p>	 <p><b>Melbourne</b> \$24,109</p> <p>↑ +\$137 since Q2 2022</p>	 <p><b>Brisbane</b> \$23,836</p> <p>↑ +\$201 since Q2 2022</p>	 <p><b>Canberra</b> \$20,577</p> <p>↑ +\$109 since Q2 2022</p>
5	6	7	8
 <p><b>Adelaide</b> \$19,892</p> <p>↓ -\$25 since Q2 2022</p>	 <p><b>Perth</b> \$19,814</p> <p>↑ +\$32 since Q2 2022</p>	 <p><b>Darwin</b> \$19,728</p> <p>↑ +\$81 since Q2 2022</p>	 <p><b>Hobart</b> \$18,820</p> <p>↑ +\$41 since Q2 2022</p>

## Average taxes



### Fuel excise

\$605

↑ +\$24

since Q2 2022

+



### Registration, CTP and licensing

\$1,608

↑ +\$35 since Q2 2022

=

### Household total

\$2,213

↑ +\$58 since Q2 2022

# Total transport costs

Per year

Per household

VIEW COSTS PER WEEK (PAGE 7) →



## Regional

### Regional average



\$17,884

↑ +\$49 since Q2 2022

The average annual cost of transport for the typical regional household increased by \$49 to \$17,884. Of this, transport taxes cost regional families \$2,163 – an increase of \$57.

The greatest increase was recorded in Alice Springs, where annual transport costs rose by \$377 when compared to the previous quarter.

1	2	3	4
 <b>Alice Springs</b> \$19,648 ↑ +\$377 since Q2 2022	 <b>Geelong</b> \$18,931 ↑ +\$131 since Q2 2022	 <b>Bunbury</b> \$18,901 ↑ +\$33 since Q2 2022	 <b>Mount Gambier</b> \$17,642 ↓ -\$287 since Q2 2022
5	6	7	
 <b>Launceston</b> \$17,473 ↑ +\$34 since Q2 2022	 <b>Townsville</b> \$16,489 ↓ -\$57 since Q2 2022	 <b>Wagga Wagga</b> \$16,107 ↑ +\$114 since Q2 2022	 Explore the interactive data DATA.AAA.ASN.AU

## Average taxes



### Fuel Excise

\$634

↑ +\$25 since Q2 2022

+



### Registration, CTP and Licensing

\$1,529

↑ +\$32 since Q2 2022

=

### Household total

\$2,163

↑ +\$57 since Q2 2022

# Total transport costs

Per week

Per household



## Capital cities

### Capital average



**\$413.53**

↑ +\$1.32 since Q2 2022

In the September quarter of 2022 all transport cost rankings remained unchanged with Sydney the most expensive and Hobart the cheapest.

1	2	3	4
 <b>Sydney</b> <b>\$485.68</b> ↓ -\$0.50 since Q2 2022	 <b>Melbourne</b> <b>\$463.64</b> ↑ +\$2.63 since Q2 2022	 <b>Brisbane</b> <b>\$458.38</b> ↑ +\$3.86 since Q2 2022	 <b>Canberra</b> <b>\$395.70</b> ↑ +\$2.10 since Q2 2022
5	6	7	8
 <b>Adelaide</b> <b>\$382.54</b> ↓ -\$0.48 since Q2 2022	 <b>Perth</b> <b>\$381.03</b> ↑ +\$0.61 since Q2 2022	 <b>Darwin</b> <b>\$379.38</b> ↑ +\$1.55 since Q2 2022	 <b>Hobart</b> <b>\$361.92</b> ↑ +\$0.79 since Q2 2022

# Total transport costs

Per week

Per household



## Regional

### Regional average



**\$343.93**

↑ +\$0.95 since Q2 2022

Transport in the regional centres was, on average, \$69.60 a week cheaper than in the capitals. Alice Springs remained the regional centre with the highest total weekly transport costs. Geelong and Bunbury switched rankings, with Geelong becoming the second-highest regional centre for transport costs and Bunbury the third-highest. All other rankings remained unchanged.

1	2	3	4
 <p><b>Alice Springs</b> \$377.85</p> <p>↑ +\$7.26 since Q2 2022</p>	 <p><b>Geelong</b> \$364.06</p> <p>↑ +\$2.53 since Q2 2022</p>	 <p><b>Bunbury</b> \$363.48</p> <p>↑ +\$0.63 since Q2 2022</p>	 <p><b>Mount Gambier</b> \$339.28</p> <p>↓ -\$5.52 since Q2 2022</p>
5	6	7	
 <p><b>Launceston</b> \$336.02</p> <p>↑ +\$0.66 since Q2 2022</p>	 <p><b>Townsville</b> \$317.10</p> <p>↓ -\$1.09 since Q2 2022</p>	 <p><b>Wagga Wagga</b> \$309.75</p> <p>↑ +\$2.20 since Q2 2022</p>	 <p>Explore the interactive data</p> <p>DATA.AAA.ASN.AU</p>

# Transport affordability

## Costs as a percentage of income

Per week

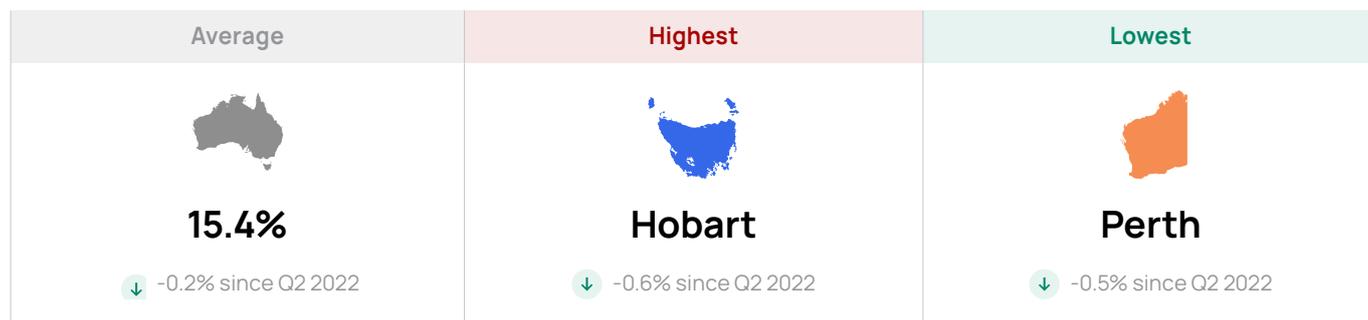
Per household



The relationship between a region's income and costs determines local purchasing power – or affordability. For example, in dollar terms Hobart had the lowest total transport costs, while Sydney had the highest. But when this cost is measured as a percentage of typical household income, Hobart – not Sydney – ranked as the Australian city with the least affordable transport costs. Perth replaced Canberra as the most affordable city (previously second-most affordable), whilst all other rankings remained unchanged.



### Capital cities



### Rank

		Q4	Q1	Q2	Q3
1	<b>Hobart</b>	18.2%	17.9%	18.2%	17.6%
2	<b>Brisbane</b>	17.7%	17.1%	17.4%	17.0%
3	<b>Melbourne</b>	16.7%	16.0%	16.4%	16.5%
4	<b>Darwin</b>	15.8%	15.3%	16.1%	15.7%
5	<b>Sydney</b>	15.7%	15.1%	15.5%	15.5%
6	<b>Adelaide</b>	15.1%	14.6%	15.0%	14.5%
7	<b>Canberra</b>	14.1%	12.9%	13.3%	13.7%
8	<b>Perth</b>	14.9%	13.8%	14.1%	13.6%
	<b>Capital avg.</b>	15.9%	15.2%	15.6%	15.4%

# Transport affordability

## Costs as a percentage of income

Per week

Per household

Across Australia, regional households earned \$217 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: \$274 and \$280 per week less on average, respectively.

Nationally, the average cost of transport cost took up 14.9 per cent of the typical household's income – 15.4 per cent in the capital cities and 14.2 per cent in regional centres.



### Regional



### Rank

		Q4	Q1	Q2	Q3
1	<b>Launceston</b>	18.5%	18.1%	18.6%	18.0%
2	<b>Alice Springs</b>	16.3%	15.9%	16.8%	16.6%
3	<b>Mount Gambier</b>	15.0%	14.5%	15.1%	14.4%
4	<b>Bunbury</b>	14.4%	14.1%	14.5%	14.0%
5	<b>Geelong</b>	13.6%	12.9%	13.4%	13.5%
6	<b>Townsville</b>	13.1%	12.4%	12.7%	12.3%
7	<b>Wagga Wagga</b>	11.2%	10.4%	10.7%	10.8%
8	<b>Regional avg.</b>	14.6%	14.0%	14.6%	14.2%



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 increased in all locations.
- **Registration, CTP and licensing** - costs increased slightly in all locations.
- **Comprehensive insurance** - premiums increased in all locations except Sydney, Darwin, Canberra and Mount Gambier.

→ **Car maintenance** - costs increased slightly in all locations.

→ **Public Transport** - public transport costs increased for Brisbane, Perth and Adelaide due to scheduled indexation from 1 July 2022.

→ **Toll roads** - toll road costs increased for Sydney, Melbourne and Brisbane due to scheduled indexation from 1 July 2022.

Changes in transport costs over the quarter were observed in these categories:

→ **Fuel** - prices decreased in all locations, except for Alice Springs.



## Capital cities

1	2	3	4
 <p><b>Car loan payments</b> <b>\$155.28</b> ↑ +\$2.01 since Q2 2022</p>	 <p><b>Fuel</b> <b>\$94.81</b> ↓ -\$3.56 since Q2 2022</p>	 <p><b>Tolls</b> <b>\$68.84</b> ↑ +\$1.90 since Q2 2022</p>	 <p><b>Public transport</b> <b>\$39.65</b> ↑ +\$0.42 since Q2 2022</p>
5	6	7	8
 <p><b>Insurance</b> <b>\$33.04</b> ↑ +\$0.45 since Q2 2022</p>	 <p><b>Servicing &amp; Tyres</b> <b>\$31.80</b> ↑ +\$0.51 since Q2 2022</p>	 <p><b>Registration, CTP &amp; licensing</b> <b>\$30.92</b> ↑ +\$0.67 since Q2 2022</p>	 <p><b>Roadside assist</b> <b>\$2.23</b> ↑ +\$0.11 since Q2 2022</p>

# Transport costs by category

Per week

Per household

The ranking of average expenses for the typical city and regional families remained unchanged over the quarter. Car loan payments remained the largest expense in the representative families' transport budgets, while roadside assistance was 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
 <p><b>Car loan payments</b> <b>\$155.31</b> ↑ +\$1.99 since Q2 2022</p>	 <p><b>Fuel</b> <b>\$99.36</b> ↓ -\$3.35 since Q2 2022</p>	 <p><b>Servicing &amp; Tyres</b> <b>\$30.00</b> ↑ +\$0.41 since Q2 2022</p>
4	5	6
 <p><b>Registration, CTP &amp; licensing</b> <b>\$29.40</b> ↑ +\$0.62 since Q2 2022</p>	 <p><b>Insurance</b> <b>\$27.64</b> ↑ +\$1.18 since Q2 2022</p>	 <p><b>Roadside assist</b> <b>\$2.22</b> ↑ +\$0.10 since Q2 2022</p>

# 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 \$882 – in the September quarter, offsetting a decrease in new car loans of 0.49%. As a result, the cost of weekly car loan payments increased in all locations by \$2.01 per week, or \$105 a year on average.

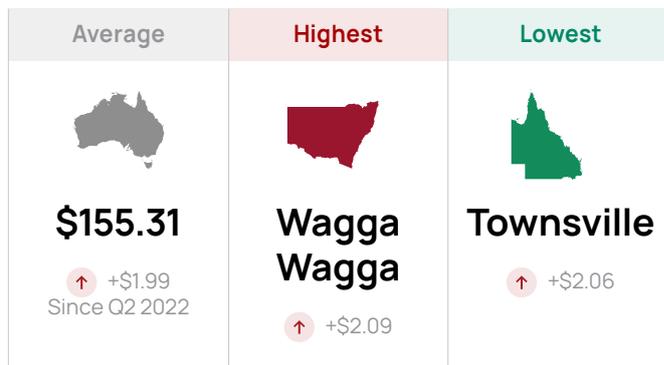
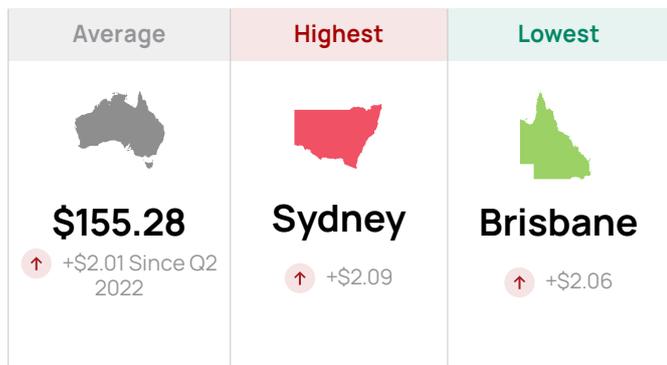
Regional households incurred the same costs in this category as their capital city counterparts because it is assumed that interest rates and new car purchase costs are the same in regional and capital city locations.



### Capital cities



### Regional



Rank

1	● Sydney	\$156.40	+ \$2.09
2	● Perth	\$156.34	+ \$2.13
3	● Melbourne	\$155.37	+ \$2.07
4	↑ ● Canberra	\$155.05	+ \$2.16
5	↓ ● Adelaide	\$155.01	+ \$1.71
6	↓ ● Hobart	\$154.95	+ \$1.88
7	● Darwin	\$154.69	+ \$2.00
8	● Brisbane	\$154.45	+ \$2.06
	● Capital avg.	\$155.28	+ \$2.01

Rank

1	● Wagga Wagga	\$156.40	+ \$2.09
2	● Bunbury	\$156.34	+ \$2.13
3	● Geelong	\$155.37	+ \$2.07
4	● Mount Gambier	\$155.01	+ \$1.71
5	● Launceston	\$154.95	+ \$1.88
6	● Alice Springs	\$154.69	+ \$2.00
7	● Townsville	\$154.45	+ \$2.06
	● Regional avg.	\$155.31	+ \$1.99

# Transport costs by category

Per week

Per household



## Vehicle registration, CTP and driver's licence

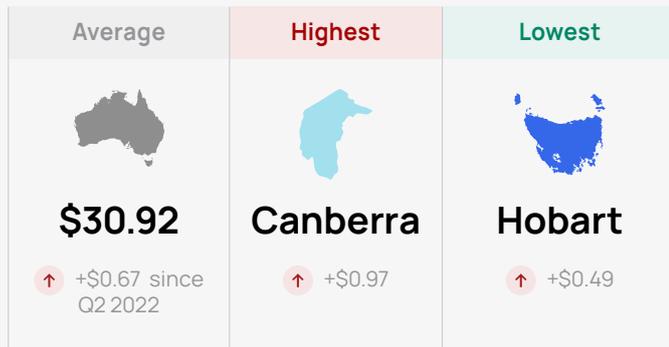
Weekly registration, CTP and licensing costs increased slightly in all locations.

Canberra remained the most expensive capital city for registration, CTP and licensing, while Hobart remained the least expensive, with the typical Canberra household spending \$914 more per year than Hobart.

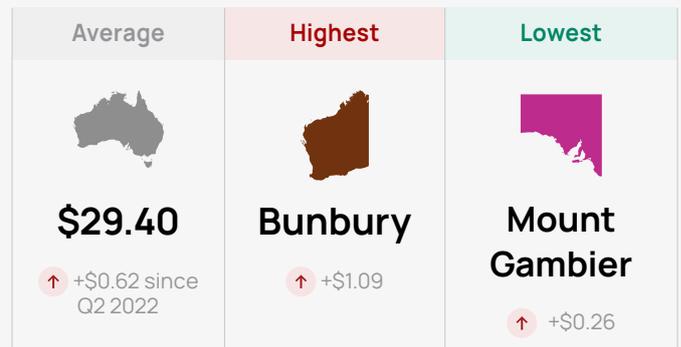
Bunbury remained the most expensive regional centre in this cost category. Mount Gambier remained the regional centre with the lowest registration, CTP and licensing costs. The annualised difference between Bunbury and Mount Gambier was \$619.



### Capital cities



### Regional



Rank

1		<b>Canberra</b>	\$40.69	+\$0.97
2	↑ 	<b>Perth</b>	\$34.66	+\$1.09
3	↓ 	<b>Melbourne</b>	\$34.34	+\$0.73
4		<b>Darwin</b>	\$31.55	+\$0.81
5		<b>Brisbane</b>	\$31.23	+\$0.89
6		<b>Adelaide</b>	\$27.51	+\$0.31
7		<b>Sydney</b>	\$24.27	+\$0.06
8		<b>Hobart</b>	\$23.12	+\$0.49
		<b>Capital avg.</b>	\$30.92	+\$0.67

Rank

1		<b>Bunbury</b>	\$34.66	+\$1.09
2		<b>Geelong</b>	\$32.18	+\$0.69
3		<b>Alice Springs</b>	\$31.55	+\$0.81
4		<b>Townsville</b>	\$31.23	+\$0.89
5		<b>Wagga Wagga</b>	\$30.35	+\$0.10
6		<b>Launceston</b>	\$23.12	+\$0.49
7		<b>Mount Gambier</b>	\$22.75	+\$0.26
		<b>Regional avg.</b>	\$29.40	+\$0.62



Explore the interactive data

DATA.AAA.ASN.AU →

# Transport costs by category

Per week

Per household



## Comprehensive car insurance

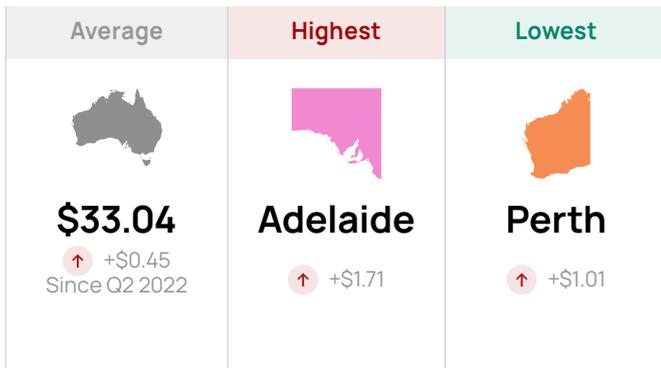
In the September quarter, the weekly cost of comprehensive insurance for both the benchmark new and used vehicles increased for the typical Australian city household. The largest rise in insurance premiums was observed in Hobart with costs increasing by \$106 per year. Adelaide and Darwin switched ranks with Adelaide becoming the most expensive city for insurance costs (previously second-highest). Perth remained the cheapest with the typical Perth household now spending \$1,200 per year less than Adelaide.

The largest increase among the regional households was in Wagga Wagga where costs increased by \$144 per annum. Mount Gambier insurance costs decreased by \$27 per annum.

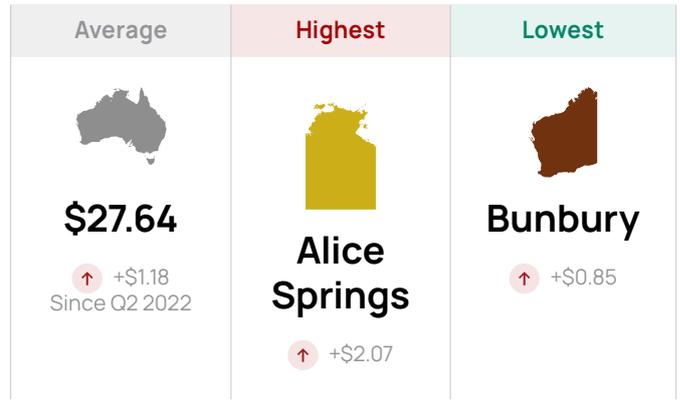
The largest difference between a capital city and its regional counterpart was in Victoria, where a typical Geelong household spends \$759 a year less on comprehensive insurance than Melbourne.



### Capital cities



### Regional



Rank

1	↑	Adelaide	\$42.00	+\$1.71
2	↓	Darwin	\$40.32	-\$0.76
3		Melbourne	\$40.20	+\$0.87
4		Brisbane	\$36.55	+\$0.70
5		Sydney	\$33.89	-\$0.02
6		Canberra	\$27.76	-\$1.94
7		Hobart	\$24.73	+\$2.03
8		Perth	\$18.92	+\$1.01
		Capital avg.	\$33.04	+\$0.45

Rank

1		Alice Springs	\$42.99	+\$2.07
2		Mount Gambier	\$32.71	-\$0.52
3		Townsville	\$29.93	+\$0.58
4	↑	Wagga Wagga	\$26.16	+\$2.77
5	↓	Geelong	\$25.60	+\$0.81
6		Launceston	\$20.50	+\$1.71
7		Bunbury	\$15.60	+\$0.85
		Regional avg.	\$27.64	+\$1.18

# Transport costs by category

Per week

Per household



## Servicing and tyres

The cost of servicing and tyres increased slightly over the September 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 \$824 more per year than Adelaide.

Among the regional locations Bunbury remained the household with the highest costs. Launceston remained the cheapest, with families in Bunbury paying \$619 more on an annual basis.



### Capital cities



### Regional

Average	Highest	Lowest
 <b>\$31.80</b> ↑ +\$0.51 Since Q2 2022	 <b>Canberra</b> ↑ +\$1.19	 <b>Adelaide</b> ↑ +\$0.44

Average	Highest	Lowest
 <b>\$30.00</b> ↑ +\$0.41 Since Q2 2022	 <b>Bunbury</b> ↑ +\$0.62	 <b>Launceston</b> ↑ +\$0.32

Rank	City	Cost	Change
1	Canberra	\$41.66	+ \$1.19
2	Perth	\$33.36	+ \$0.56
3	Melbourne	\$33.01	+ \$0.21
4	Sydney	\$32.33	+ \$0.61
5	Darwin	\$32.02	+ \$0.35
6	Hobart	\$30.24	+ \$0.45
7	Brisbane	\$25.94	+ \$0.31
8	Adelaide	\$25.82	+ \$0.44
	Capital avg.	\$31.80	+ \$0.51

Rank	Location	Cost	Change
1	Bunbury	\$36.11	+ \$0.62
2	Alice Springs	\$35.47	+ \$0.41
3	Geelong	\$31.56	+ \$0.19
4	Wagga Wagga	\$30.24	+ \$0.55
5	Townsville	\$26.46	+ \$0.32
6	Mount Gambier	\$25.93	+ \$0.44
7	Launceston	\$24.20	+ \$0.32
	Regional avg.	\$30.00	+ \$0.41



Explore the interactive data

DATA.AAA.ASN.AU →

# Transport costs by category

Per week

Per household



## Fuel

The average Australian capital city retail price of regular unleaded petrol fell by 9.0 cents to 183.0 cents per litre, costing the typical city household \$185 less per year. Darwin replaced Hobart as the capital city with the highest fuel expenditure (previously second-highest); its average petrol price was down 3.6 cents to 191.6 cents per litre in the September quarter. Adelaide remained the city with the lowest fuel prices and expenditure, paying 172.0 cents per litre, down 13.5 cents from the June quarter.

Averaged across the regions, the cost of petrol decreased by 8.0 cents to 183.0 cents per litre. Alice Springs remained the centre with the highest prices at 208.5 cents per litre while Mount Gambier became the cheapest at 170.6 cents per litre (previously second-cheapest). The typical household in Bunbury continued to have the highest fuel expenditure among the regional centres, at \$6,164 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 \$3,342 per year because its residents typically drive less.



## Capital cities



## Regional

Average	Highest	Lowest
 <b>\$94.81</b> ↓ -\$3.56 Since Q2 2022	 <b>Darwin</b> ↓ -\$0.91	 <b>Adelaide</b> ↓ -\$5.77

Average	Highest	Lowest
 <b>\$99.36</b> ↓ -\$3.35 Since Q2 2022	 <b>Bunbury</b> ↓ -\$4.17	 <b>Wagga Wagga</b> ↓ -\$3.46

### Rank

1	↑		<b>Darwin</b>	\$98.93	- \$0.91
2	↑		<b>Canberra</b>	\$98.49	- \$0.43
3	↓		<b>Hobart</b>	\$98.47	- \$4.16
4	↑		<b>Melbourne</b>	\$95.35	- \$1.94
5	↓		<b>Sydney</b>	\$93.95	- \$5.18
6	↓		<b>Brisbane</b>	\$93.21	- \$4.94
7			<b>Perth</b>	\$90.53	- \$5.18
8			<b>Adelaide</b>	\$89.52	- \$5.77
			<b>Capital avg.</b>	\$94.81	- \$3.56

### Rank

1			<b>Bunbury</b>	\$118.54	- \$4.17
2			<b>Geelong</b>	\$116.98	- \$1.33
3	↑		<b>Alice Springs</b>	\$111.19	+ \$1.92
4	↓		<b>Launceston</b>	\$110.83	- \$3.84
5			<b>Mount Gambier</b>	\$100.71	- \$7.53
6			<b>Townsville</b>	\$73.00	- \$5.04
7			<b>Wagga Wagga</b>	\$64.28	- \$3.46
			<b>Regional avg.</b>	\$99.36	- \$3.35

# Transport costs by category

Per week

Per household



## Public transport

In the September quarter, public transport costs increased in Brisbane, Perth and Adelaide by \$75, \$47 and \$52 per year, respectively. With the lowest expenditure, the typical Darwin household spent \$37.96 per week (\$1,974 per year) less on public transport costs than its equivalent household in Brisbane, the most expensive city.



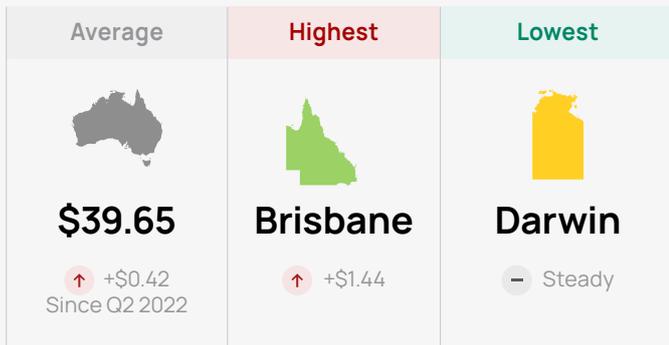
## Toll roads

Only three Australian cities – Sydney, Melbourne and Brisbane – use toll roads. Costs increased by \$94 per year in Sydney and \$31 per year in Melbourne due to a scheduled quarterly price adjustment. Brisbane costs increased by \$172 per annum due to a scheduled annual price adjustment.

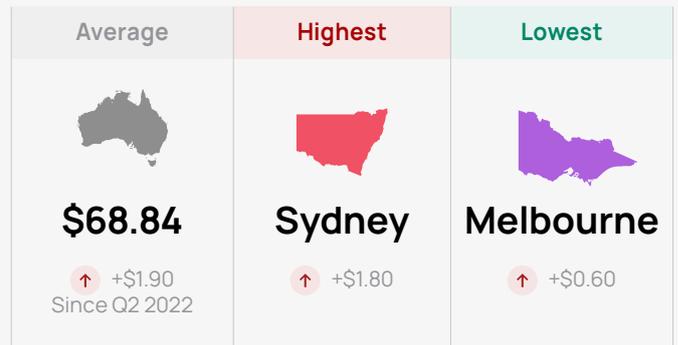
The typical Sydney household continued to incur the greatest costs for toll roads, while Melbourne and Brisbane became equal lowest for toll road costs. The typical Melbourne and Brisbane household spent \$35.52 per week (or \$1,847 per year) less on tolls than the one in Sydney.



## Capital cities



## Capital cities



Rank

1		<b>Brisbane</b>	\$57.96	<b>+\$1.44</b>
2		<b>Sydney</b>	\$50.00	-
3		<b>Melbourne</b>	\$46.00	-
4		<b>Perth</b>	\$45.00	<b>+\$0.90</b>
5		<b>Adelaide</b>	\$40.50	<b>+\$1.00</b>
6		<b>Canberra</b>	\$29.72	-
7		<b>Hobart</b>	\$28.00	-
8		<b>Darwin</b>	\$20.00	-
		<b>Capital avg.</b>	\$39.65	<b>+\$0.42</b>

Rank

1		<b>Sydney</b>	\$92.52	<b>+\$1.80</b>
2	↑ 	<b>Brisbane</b>	\$57.00	<b>+\$3.30</b>
2		<b>Melbourne</b>	\$57.00	<b>+\$0.60</b>
		<b>Avg.</b>	\$68.84	<b>+\$1.90</b>



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# Transport costs by category

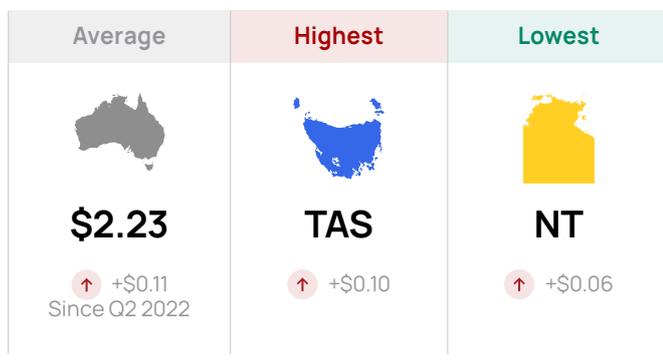
Per week

Per household



## Roadside assistance

The differences between states for roadside assistance costs are not large. Tasmania had the highest ongoing roadside assistance costs at \$126 per year, while the Northern Territory had the lowest at \$102 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.

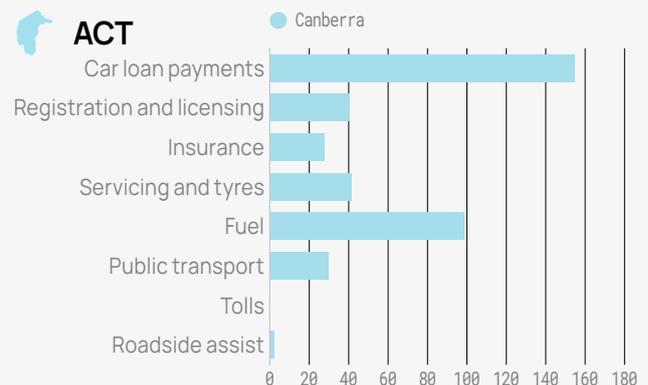
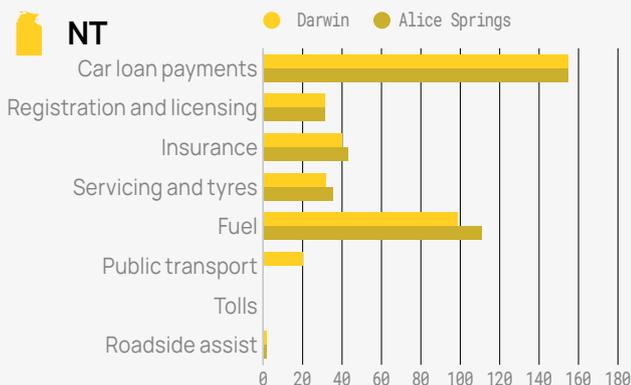
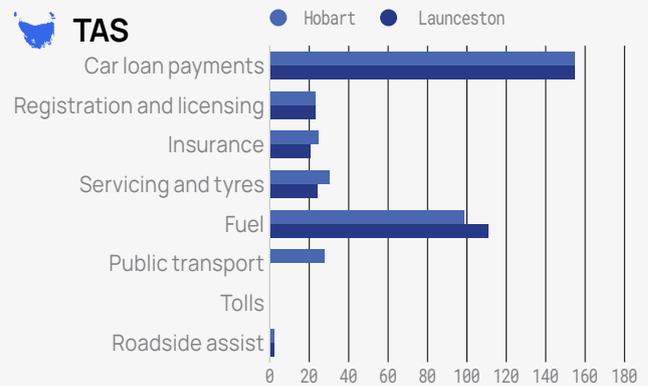
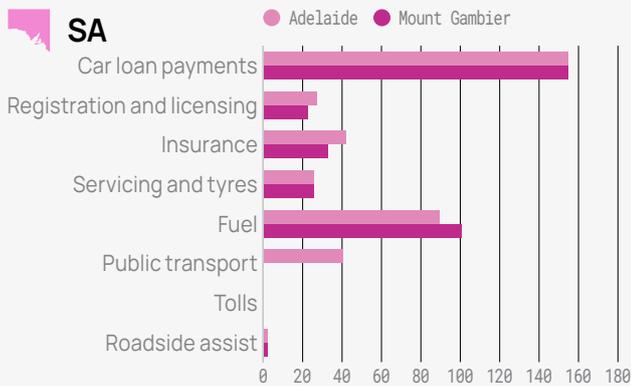
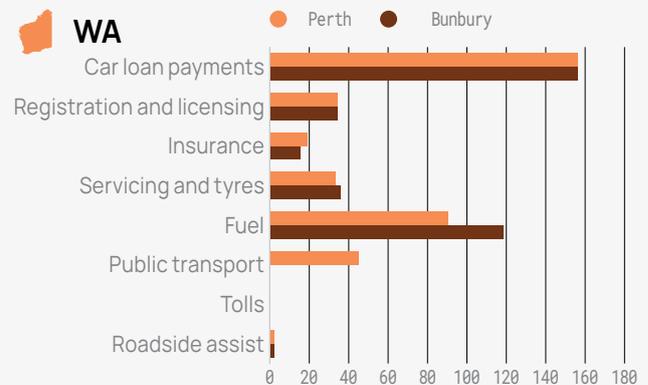
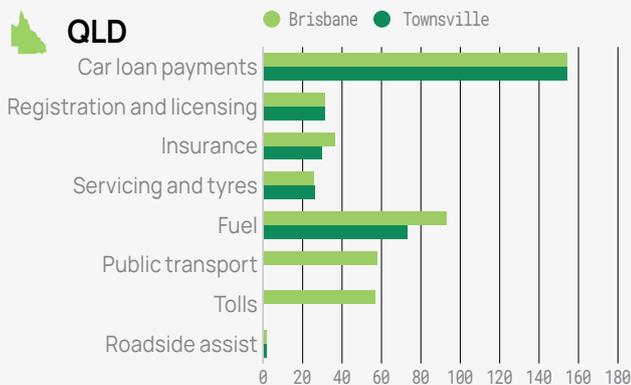
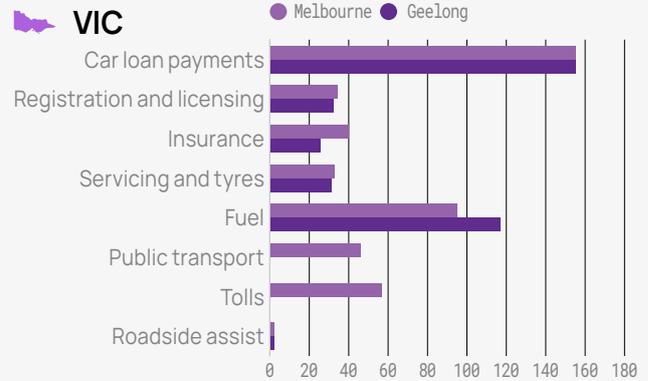
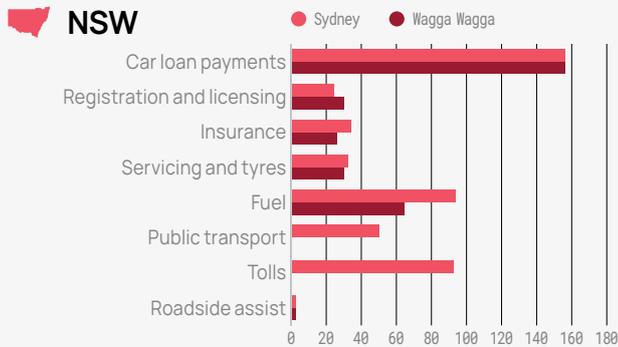


### Rank

1	 <b>TAS</b>	\$2.42	<b>+\$0.10</b>
2	 <b>VIC</b>	\$2.37	<b>+\$0.10</b>
3	 <b>ACT</b>	\$2.33	<b>+\$0.15</b>
3	 <b>NSW</b>	\$2.33	<b>+\$0.15</b>
5	 <b>WA</b>	\$2.23	<b>+\$0.10</b>
6	 <b>SA</b>	\$2.17	<b>+\$0.12</b>
7	 <b>QLD</b>	\$2.04	<b>+\$0.10</b>
8	 <b>NT</b>	\$1.96	<b>+\$0.06</b>
	 <b>Avg.</b>	\$2.23	<b>+\$0.11</b>

# State by state overview

## Capital city vs regional centre comparison



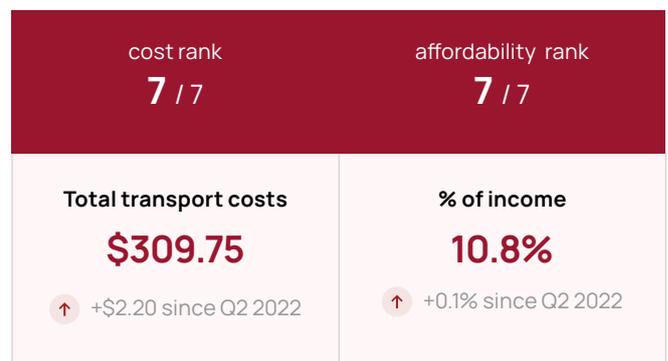
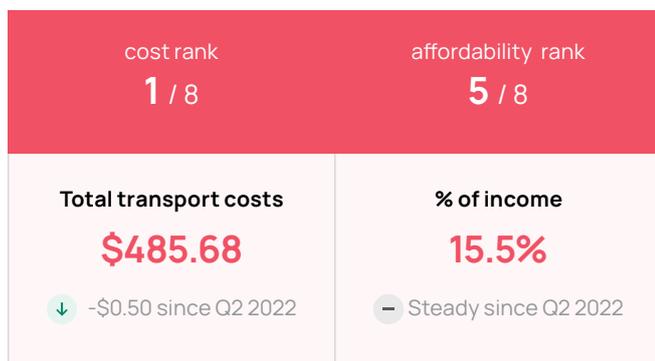


## Sydney

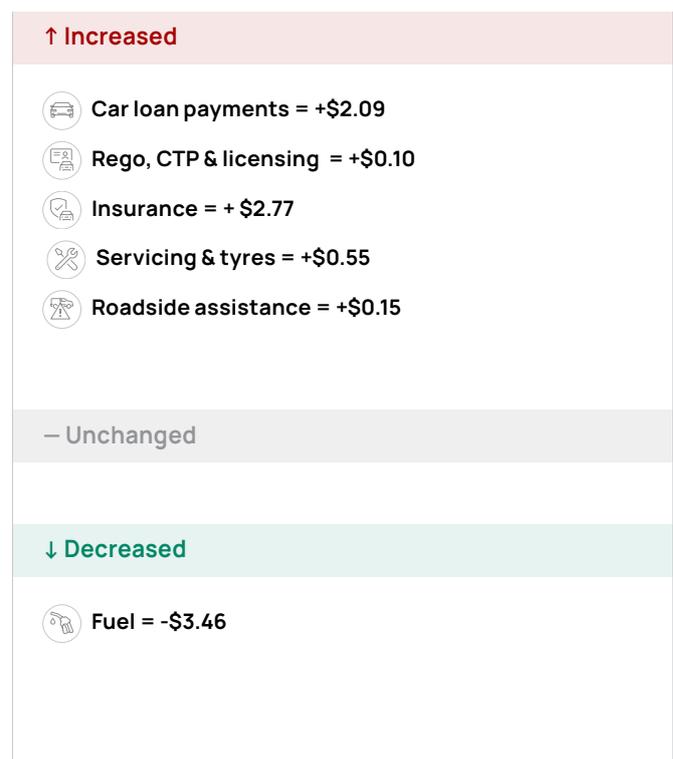
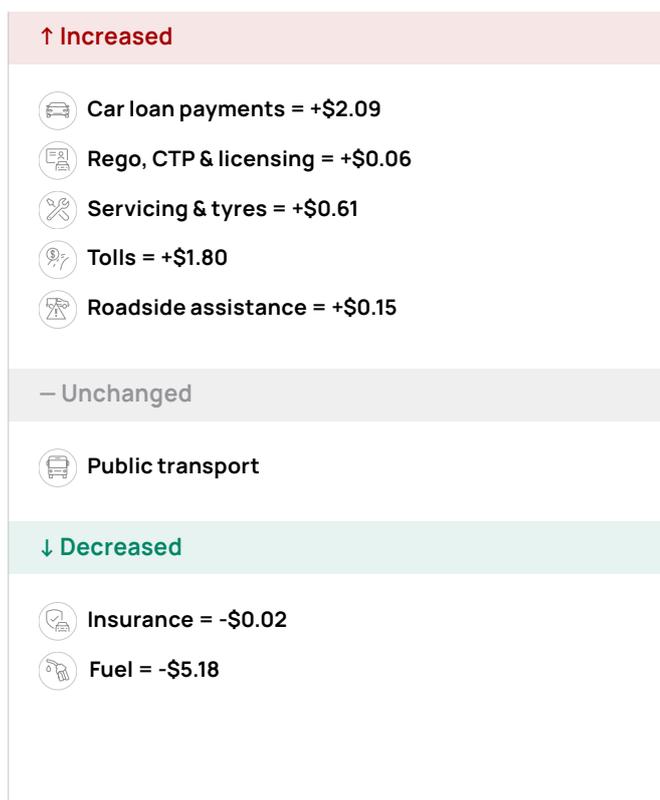
In the September quarter, Sydney transport costs decreased by \$26 per year and it remained Australia's most expensive city for transport. This was mainly due to lower fuel expenditure which decreased by \$270 per annum. Car loan payments and toll road costs increased by \$108 and \$94 per year, respectively.

## Wagga Wagga

Wagga Wagga remained the benchmark regional centre with the lowest transport costs – both in total cost (at \$16,107 a year) and in terms of the local income-to-cost ratio. Its costs increased by \$114 per annum, driven by car loan payments which rose in-line with Sydney and comprehensive insurance which rose by \$144 per year. Fuel expenditure decreased by \$180 per annum.



## Changes in transport category costs





## Melbourne

Melbourne remained Australia's second-most expensive city for transport. The typical household spent the equivalent of \$24,109 a year – an increase of \$137 per annum from the previous quarter. This was mainly due to higher car loan payments which rose by \$108 per annum. Fuel expenditure decreased by \$101 per annum.

## Geelong

Geelong had yearly transport costs of \$18,931 and became the regional centre with the second-highest costs (previously third-highest), replacing Bunbury. Geelong's transport costs increased by \$131 a year, because of car loan payments which rose in-line with Melbourne. Fuel expenditure decreased by \$69 per year

cost rank <b>2 / 8</b>		affordability rank <b>3 / 8</b>	
<b>Total transport costs</b>	<b>\$463.64</b>	<b>% of income</b>	<b>16.5%</b>
+\$2.63 since Q2 2022		+0.1% since Q2 2022	

cost rank <b>2 / 7</b>		affordability rank <b>5 / 7</b>	
<b>Total transport costs</b>	<b>\$364.06</b>	<b>% of income</b>	<b>13.5%</b>
+\$2.53 since Q2 2022		+0.1% since Q2 2022	

## Changes in transport category costs

**↑ Increased**

- Car loan payments = +\$2.07
- Rego, CTP & licensing = +\$0.73
- Insurance = + \$0.87
- Servicing & tyres = +\$0.21
- Tolls = +\$0.60
- Roadside assistance = +\$0.10

**– Unchanged**

- Public transport

**↓ Decreased**

- Fuel = -\$1.94

**↑ Increased**

- Car loan payments = +\$2.07
- Rego, CTP & licensing = +\$0.69
- Insurance = +\$0.81
- Servicing & tyres = +\$0.19
- Roadside assistance = +\$0.10

**– Unchanged**

- 

**↓ Decreased**

- Fuel = -\$1.33



# QLD weekly transport costs

Per week

Per household

## Brisbane

Brisbane's typical household had transport costs of \$23,836 a year made it Australia's third highest city for transport costs and second-least affordable capital. Transport costs increased by \$201 a year, mainly due to higher toll road costs and car loan payments which rose by \$172 and \$107 per annum, respectively. Fuel expenditure decreased by \$257 per year.

## Townsville

The Townsville typical household's transports costs decreased by \$57 to \$16,489 a year in the September quarter. This decrease was due to lower fuel expenditure which decreased by \$262 per annum. Car loan payments increased 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>\$458.38</b>		<b>% of income</b> <b>17.0%</b>	
↑ +\$3.86 since Q2 2022		↓ -0.4% since Q2 2022	

cost rank <b>6 / 7</b>		affordability rank <b>6 / 7</b>	
<b>Total transport costs</b> <b>\$317.10</b>		<b>% of income</b> <b>12.3%</b>	
↓ -\$1.09 since Q2 2022		↓ -0.4% since Q2 2022	

### Changes in transport category costs

<b>↑ Increased</b>	
Car loan payments = +\$2.06	
Rego, CTP & licensing = +\$0.89	
Insurance = +\$0.70	
Servicing & tyres = +\$0.31	
Public transport = +\$1.44	
Tolls = +\$3.30	
Roadside assistance = +\$0.10	
<b>– Unchanged</b>	
<b>↓ Decreased</b>	
Fuel = -\$4.94	

<b>↑ Increased</b>	
Car loan payments = +\$2.06	
Rego, CTP & licensing = +\$0.89	
Insurance = +\$0.58	
Servicing & tyres = +\$0.32	
Roadside assistance = +\$0.10	
<b>– Unchanged</b>	
<b>↓ Decreased</b>	
Fuel = -\$5.04	



# SA weekly transport costs

Per week

Per household

## Adelaide

Adelaide's household transport costs decreased by \$25 to \$19,892 per annum. This decrease was due to lower fuel expenditure which dropped by \$300 per annum. Car loan payments and insurance costs both increased by \$89 per annum.

## Mount Gambier

Mount Gambier's typical household spent \$17,642 per year on transport – a decrease of \$287 from the previous quarter. This decrease was mainly due to fuel expenditure dropping by \$392 per annum. Car loan payments rose in-line with Adelaide. Mount Gambier became more affordable than Adelaide.

cost rank <b>5 / 8</b>		affordability rank <b>6 / 8</b>	
Total transport costs <b>\$382.54</b>		% of income <b>14.5%</b>	
↓ -\$0.48 since Q2 2022		↓ -0.6% since Q2 2022	

cost rank <b>4 / 7</b>		affordability rank <b>3 / 7</b>	
Total transport costs <b>\$339.28</b>		% of income <b>14.4%</b>	
↓ -\$5.52 since Q2 2022		↓ -0.8% since Q2 2022	

## Changes in transport category costs

**↑ Increased**

- Car loan payments = +\$1.71
- Rego, CTP & licensing = +\$0.31
- Insurance = +\$1.71
- Servicing & tyres = +\$0.44
- Public transport = +\$1.00
- Roadside assistance = +\$0.12

**– Unchanged**

**↓ Decreased**

- Fuel = -\$5.77

**↑ Increased**

- Car loan payments = +\$1.71
- Rego, CTP & licensing = +\$0.26
- Servicing & tyres = +\$0.44
- Roadside assistance = +\$0.12

**– Unchanged**

**↓ Decreased**

- Insurance = -\$0.52
- Fuel = -\$7.53



## Perth

In the September quarter, Perth's typical household saw an increase in transport costs of \$32 to \$19,814 per annum. This increase was mainly due to car loan payments which rose by \$111 per annum. Fuel expenditure decreased by \$269 per year. Perth replaced Canberra as the most affordable capital city (previously second-most affordable). Perth replaced Adelaide as the capital city with the third-lowest transport costs (previously fourth-lowest).

## Bunbury

Bunbury's typical household transport costs increased by \$18,901 per annum. The overall increase was driven by car loan payments which increased in-line with Perth. Fuel expenditure decreased by \$217 per year. Bunbury replaced Geelong as the regional centre with the third-highest transport costs (previously second-highest). Bunbury was one of three regional centres where transport costs were less affordable than its city counterpart.

cost rank <b>6 / 8</b>		affordability rank <b>8 / 8</b>	
<b>Total transport costs</b> <b>\$381.03</b>		<b>% of income</b> <b>13.6%</b>	
↑ +\$0.61 since Q2 2022		↓ -0.5% since Q2 2022	

cost rank <b>3 / 7</b>		affordability rank <b>4 / 7</b>	
<b>Total transport costs</b> <b>\$363.48</b>		<b>% of income</b> <b>14.0%</b>	
↑ +\$0.63 since Q2 2022		↓ -0.5% since Q2 2022	

## Changes in transport category costs

<b>↑ Increased</b>	
Car loan payments = +\$2.13	
Rego, CTP & licensing = +\$1.09	
Insurance = +\$1.01	
Servicing & tyres = +\$0.56	
Public transport = +\$0.90	
Roadside assistance = +\$0.10	
<b>– Unchanged</b>	
<b>↓ Decreased</b>	
Fuel = -\$5.18	

<b>↑ Increased</b>	
Car loan payments = +\$2.13	
Rego, CTP & licensing = +\$1.09	
Insurance = +\$0.85	
Servicing & tyres = +\$0.62	
Roadside assistance = +\$0.10	
<b>– Unchanged</b>	
<b>↓ Decreased</b>	
Fuel = -\$4.17	



# TAS weekly transport costs

Per week

Per household

## Hobart

Hobart's typical household spent \$18,820 per year on transport – an increase of \$41 from the previous quarter. This was due to higher insurance costs and car loan payments which rose by \$106 and \$98 per annum, respectively. Fuel expenditure decreased by \$216, per annum. Hobart remained Australia's capital city with the lowest transport costs but was also the least affordable in terms of purchasing power.

cost rank <b>8 / 8</b>	affordability rank <b>1 / 8</b>
<b>Total transport costs</b> <b>\$361.92</b> ↑ +\$0.79 since Q2 2022	<b>% of income</b> <b>17.6%</b> ↓ -0.6% since Q2 2022

## Launceston

Launceston's household transport costs were equivalent to \$17,473 a year – an increase of \$34 per annum. This was due to higher car loan payments which rose in-line with Hobart and insurance costs which increased by \$89 per annum. Fuel expenditure decreased by \$200 per year. 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 three regional centres where transport costs were less affordable than its city counterpart.

cost rank <b>5 / 7</b>	affordability rank <b>1 / 7</b>
<b>Total transport costs</b> <b>\$336.02</b> ↑ +\$0.66 since Q2 2022	<b>% of income</b> <b>18.0%</b> ↓ -0.6% since Q2 2022

## Changes in transport category costs

<b>↑ Increased</b>
Car loan payments = +\$1.88
Rego, CTP & licensing = +\$0.49
Insurance = +\$2.03
Servicing & tyres = +\$0.45
Roadside assistance = +\$0.10
<b>– Unchanged</b>
Public transport
<b>↓ Decreased</b>
Fuel = -\$4.16

<b>↑ Increased</b>
Car loan payments = +\$1.88
Rego, CTP & licensing = +\$0.49
Insurance = +\$1.71
Servicing & tyres = +\$0.32
Roadside assistance = +\$0.10
<b>– Unchanged</b>
<b>↓ Decreased</b>
Fuel = -\$3.84



# NT weekly transport costs

Per week

Per household

## Darwin

Darwin's typical household spent \$19,728 a year on transport, an increase of \$81 from the previous quarter. This was mainly a result of car loan payments increasing in annual costs by \$104. Fuel expenditure decreased by \$47 per year. Darwin remained the city with the second-lowest transport costs.

## Alice Springs

Alice Springs remained the regional centre with the highest transport costs – which equated to \$19,648 a year, \$377 higher than the previous quarter – and one of three regional centres where transport costs were less affordable than its city counterpart. This was mainly due to higher comprehensive insurance, car loan payments and fuel expenditure increasing by \$108, \$104 (in-line with Darwin) and \$100 per annum, respectively. Alice Springs was the only location where fuel expenditure increased over the quarter.

cost rank <b>7 / 8</b>	affordability rank <b>4 / 8</b>
<b>Total transport costs</b> <b>\$379.38</b> ↑ +\$1.55 since Q2 2022	<b>% of income</b> <b>15.7%</b> ↓ -0.4% since Q2 2022

cost rank <b>1 / 7</b>	affordability rank <b>2 / 7</b>
<b>Total transport costs</b> <b>\$377.85</b> ↑ +\$7.26 since Q2 2022	<b>% of income</b> <b>16.6%</b> ↓ -0.2% since Q4 2021

## Changes in transport category costs

**↑ Increased**

- Car loan payments = +\$2.00
- Rego, CTP & licensing = +\$0.81
- Servicing & tyres = +\$0.35
- Roadside assistance = +\$0.06

**– Unchanged**

- Public transport

**↓ Decreased**

- Insurance = -\$0.76
- Fuel = -\$0.91

**↑ Increased**

- Car loan payments = +\$2.00
- Rego, CTP & licensing = +\$0.81
- Insurance = +\$2.07
- Servicing & tyres = +\$0.41
- Fuel = +\$1.92
- Roadside assistance = +\$0.06

**– Unchanged**

**↓ Decreased**



# ACT weekly transport costs

Per week

Per household

## Canberra

Canberra's typical household spent \$20,577 per annum on transport, which was \$109 more than recorded in the previous quarter. This increase was driven by car loan payments which rose by \$112 per annum. Comprehensive insurance and fuel expenditure annual costs decreased by \$101 and \$23 per annum, respectively. Canberra became the second-most affordable city with the most affordable rank being taken by Perth in the September quarter.

cost rank <b>4 / 8</b>	affordability rank <b>7 / 8</b>
<b>Total transport costs</b> <b>\$395.70</b> ↑ +\$2.10 since Q2 2022	<b>% of income</b> <b>13.7%</b> ↑ +0.4% since Q2 2022

## Changes in transport category costs

<b>↑ Increased</b>	
	Car loan payments = +\$2.16
	Rego, CTP & licensing = +0.97
	Servicing & tyres = +\$1.19
	Roadside assistance = +\$0.15
<b>– Unchanged</b>	
	Public transport
<b>↓ Decreased</b>	
	Insurance = -\$1.94
	Fuel = -\$0.43

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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.

## 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.

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>

