TRANSPORT AFFORDABILITY INDEX

SEPTEMBER QUARTER 2023

Australian Automobile Association

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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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Transport cost inflation eases but prices remain high

National average total transport costs

Per week | Per household

INCREASE
4.0%
$16.59 pw

Rising transport costs are continuing to stress household budgets across Australia.

The latest AAA Transport Affordability Index shows that in the September 2023 quarter, the typical Australian household's transport costs rose by 4.0 per cent.

This is almost 3.5 times higher than the Consumer Price Index increase of 1.2 per cent over the same period.

For the first time, typical households' weekly transport costs were more than $400 in three of the benchmarked regional centres – Alice Springs, Bunbury, and Geelong. In Australia's three largest cities, typical households paid more than $520 a week for transport in the September quarter.

In that period, the typical Australian household spent 16.3 per cent of its income on transport, up from 14.9 per cent in the previous corresponding quarter.

That's a 9.4 per cent decline in affordability in just 12 months.

This rise was largely driven by rising fuel costs, increased up-front costs for purchasing new vehicles, higher interest rates on car loans, and increases in insurance premiums.

The cumulative effect of continually rising transport costs is a heavy burden at a time when Australians are feeling cost-of-living pressures across the board.

Transport is a significant and unavoidable expense for households and is one of the key drivers of inflation.

Governments at all levels must consider these cost pressures when formulating policy.

Michael Bradley
Managing Director
Australian Automobile Association

September Quarter 2023

Total transport costs

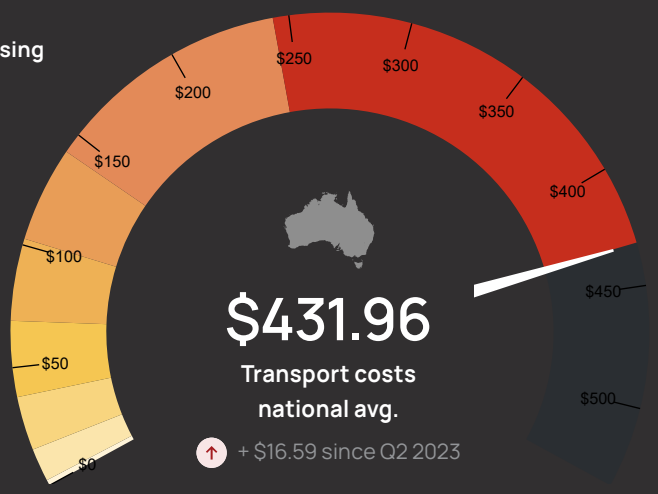
Per week | Per household

Registration, CTP & licensing
$30.98 (7.2%)

Servicing & tyres
$33.61 (7.8%)

Insurance
$39.10 (9.1%)

Roadside assist
$2.33 (0.5%)



Public transport
$21.72 (5.0%)

Tolls
$13.57 (3.1%)

Fuel
$101.77 (23.6%)

Car loan payments
$188.86 (43.7%)

Capital cities

Total costs

AVERAGE	HIGHEST	LOWEST
$466.57	Sydney	Hobart
+ $18.03 since Q2 2023	+ $20.72	+ $16.43

Affordability (% of income)

16.9%	Hobart	Canberra
+ 0.4% since Q2 2023	+ 0.8%	+ 0.1%

Regional

Total costs

AVERAGE	HIGHEST	LOWEST
$392.39	Alice Springs	Wagga Wagga
+ $14.92 since Q2 2023	+ $13.79	+ $13.60

Affordability (% of income)

15.7%	Launceston	Wagga Wagga
+ 0.5% since Q2 2023	+ 0.9%	+ 0.4%

Total transport costs

Per year | Per household

VIEW COSTS PER WEEK (PAGE 6) →

Capital cities

Capital average

$24,262

↑ $938 since Q2 2023

In the September quarter, the typical Australian capital city household's annualised cost of transport increased by $938 to $24,262. This was a 4.0 per cent rise – almost 3.5 times more than the quarter's CPI increase of 1.2 per cent.

The largest component in the higher transport costs was rising fuel expenses – up by an annualised average of $347 across the capitals. But comprehensive car insurance had the highest percentage increase – 9.9 per cent – as it rose by $199 to reach $2,219 annually.

Melbourne had the greatest absolute increase in transport costs – up by $1,171 per year . But Hobart had the greatest relative increase of 4.2 per cent, up $855 per year.

1	2	3	4
Sydney	**Melbourne**	**Brisbane**	**Canberra**
$27,730	**$27,503**	**$27,188**	**$23,262**
↑ + $1,077 since Q2 2023	↑ + $1,171 since Q2 2023	↑ + $1,069 since Q2 2023	↑ + $794 since Q2 2023

5	6	7	8
Perth	**Adelaide**	**Darwin**	**Hobart**
$22,667	**$22,393**	**$22,107**	**$21,245**
↑ + $843 since Q2 2023	↑ + $870 since Q2 2023	↑ + $824 since Q2 2023	↑ + $855 since Q2 2023

Average taxes

Fuel excise

$1,283

↑ + $28 since Q2 2023

+

Registration, CTP and licensing

$1,648

↑ + $42 since Q2 2023

=

Household total

$2,931

↑ + $70 since Q2 2023

Total transport costs

Per year | Per household

VIEW COSTS PER WEEK (PAGE 7)

Regional

Regional average

$20,404

+ $775 since Q2 2023

The national benchmark regional household's annual cost of transport rose $775 from the previous quarter – up 3.9 per cent – to reach $20,404. This was lower than the typical capital city household's costs rise, but much higher than the 1.2 per cent CPI increase.

As in the capitals, the largest component came from higher fuel prices (up by an annualised $320 across the benchmark regions) and the highest relative change was in comprehensive car insurance (up by 9.0 per cent for an annualised total of $1,821).

The biggest relative and absolute rises in the benchmarked regional centres were in Launceston, where annualised transport costs rose by $864 (4.5 per cent) from the previous quarter.

1	2	3	4
Alice Springs	**Geelong**	**Bunbury**	**Mount Gambier**
$21,691	**$21,604**	**$21,511**	**$20,258**
+ $717 since Q2 2023	+ $818 since Q2 2023	+ $759 since Q2 2023	+ $804 since Q2 2023

5	6	7
Launceston	**Townsville**	**Wagga Wagga**
$19,925	**$19,239**	**$18,603**
+ $864 since Q2 2023	+ $761 since Q2 2023	+ $707 since Q2 2023

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Average taxes

Fuel Excise

$1,346

+ $30 since Q2 2023

+

Registration, CTP and Licensing

$1,570

+ $35 since Q2 2023

=

Household total

$2,916

+ $65 since Q2 2023

Total transport costs

Per week | Per household

Capital cities

Capital average
$466.57
+ $18.03 since Q2 2023

In the September quarter, Sydney and Hobart remained the capital cities with the highest and lowest total transport costs, respectively.

All rankings remained unchanged from the previous quarter.

The typical Sydney household spends $124.72 more on transport each week than its Hobart counterpart.

1	2	3	4
Sydney	Melbourne	Brisbane	Canberra
$533.27	$528.90	$522.84	$447.35
+ $20.72 since Q2 2023	+ $22.52 since Q2 2023	+ $20.55 since Q2 2023	+ $15.27 since Q2 2023

5	6	7	8
Perth	Adelaide	Darwin	Hobart
$435.91	$430.63	$425.14	$408.55
+ $16.22 since Q2 2023	+ $16.72 since Q2 2023	+ $15.86 since Q2 2023	+ $16.43 since Q2 2023

Total transport costs

Per week | Per household

Regional

Regional average

$392.39

↑ + $14.92 since Q2 2023

Transport costs rose in each of the Index's benchmark regional centres. But nationally averaged regional benchmark costs were $74.82 a week cheaper than the average capital city household costs.

All rankings among the benchmark regional centres remained unchanged – Alice Springs was still the most expensive and Wagga Wagga the cheapest.

The typical Alice Springs household spends $59.38 more on transport in a week than its Wagga Wagga counterpart.

1	2	3	4
Alice Springs	**Geelong**	**Bunbury**	**Mount Gambier**
$417.13	**$415.46**	**$413.67**	**$389.58**
↑ + $13.79 since Q2 2023	↑ + $15.73 since Q2 2023	↑ + $14.59 since Q2 2023	↑ + $15.46 since Q2 2023

5	6	7
Launceston	**Townsville**	**Wagga Wagga**
$383.17	**$369.98**	**$357.75**
↑ + $16.62 since Q2 2023	↑ + $14.63 since Q2 2023	↑ + $13.60 since Q2 2023

Explore the interactive data

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Transport affordability

Costs as a percentage of income

Per week | Per household

National average

16.3%

↑ + 0.4% since Q2 2023

The relationship between income and costs determines local purchasing power – or affordability. Among the capitals, Hobart had the lowest total transport costs, while Sydney had the highest. But when costs were measured as a share of income, Hobart – not Sydney – ranked as the capital with the least affordable transport.

Canberra remained the most affordable capital (spending 14.6 per cent of income on transport) and Hobart the least affordable (spending 19.3 per cent of income on transport). The Sydney household spent only 16.5 per cent of its income on transport, despite having the highest absolute costs.

Capital cities

Average	Highest	Lowest
16.9%	**Hobart**	**Canberra**
↑ + 0.4% since Q2 2023	↑ + 0.8% since Q2 2023	↑ + 0.1% since Q2 2023

Rank

		Dec Qtr 2022	March Qtr 2023	June Qtr 2023	Sept Qtr 2023
1	Hobart	17.7%	18.4%	18.5%	19.3%
2	Brisbane	17.3%	18.2%	18.2%	18.6%
3	Melbourne	16.7%	17.5%	17.6%	17.7%
4	Darwin	15.6%	16.6%	16.5%	17.1%
5	Sydney	15.7%	16.0%	16.0%	16.5%
6	Adelaide	14.7%	15.5%	15.5%	16.1%
7	Perth	13.7%	14.5%	14.6%	15.1%
8	Canberra	13.7%	14.4%	14.6%	14.6%
	Capital avg.	15.7%	16.4%	16.4%	16.9%

Transport affordability

Costs as a percentage of income

Per week | Per household

In the September quarter, transport costs consumed 16.3 per cent of the typical Australian household's income, up from 15.9 per cent in the previous quarter.

Transport consumed 16.9 per cent of a typical capital city household's income (up from 16.4 per cent) and 15.7 per cent (up from 15.2 per cent) of a typical regional household's income.

Regional households across Australia earned, on average, $192 per week less than their state capital counterparts (based on ABS data). The gap between metropolitan and regional incomes was largest in NSW and South Australia. Typical Wagga Wagga and Mount Gambier households earned $283 and $282 less per week, respectively, than their state capital counterparts.

Regional

Average	Highest	Lowest
15.7%	Launceston	Wagga Wagga
↑ + 0.5% since Q2 2023	↑ + 0.9% since Q2 2023	↑ + 0.4% since Q2 2023

Rank

		Dec Qtr 2022	March Qtr 2023	June Qtr 2023	Sept Qtr 2023
1	Launceston	18.1%	18.9%	19.0%	19.9%
2	Alice Springs	16.5%	17.3%	17.3%	17.9%
3	Mount Gambier	14.7%	15.6%	15.7%	16.3%
4	Bunbury	14.1%	14.8%	15.0%	15.4%
5	Geelong	13.7%	14.3%	14.4%	14.5%
6	Townsville	12.5%	13.4%	13.4%	13.7%
7	Wagga Wagga	10.9%	11.8%	11.8%	12.1%
	Regional avg.	14.4%	15.1%	15.2%	15.7%

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Transport costs by category

Per week | Per household

In the September quarter, typical household transport costs rose across Australia. This increase was driven by changes in the following cost categories:

- **Car loan payments:** interest rates on new car loans and upfront costs for purchasing new vehicles increased in all jurisdictions.
- **Registration, CTP and licensing:** costs rose in all capital cities and regional centres due to various adjustments to registration, compulsory third-party insurance, and licensing costs.
- **Comprehensive insurance:** premiums increased in all benchmark locations.
- **Car maintenance:** costs increased in all locations.
- **Fuel expenditure:** prices increased across all locations.
- **Public Transport:** public transport costs rose in Melbourne, Adelaide and Perth.
- **Toll roads:** scheduled indexation increased toll road costs in Sydney, Melbourne and Brisbane.

Capital cities

1	2	3	4
Car loan payments	Fuel	Tolls	Insurance
$188.87	$100.29	$67.87	$42.67
+ $4.68 since Q2 2023	+ $6.67 since Q2 2023	+ $1.68 since Q2 2023	+ $3.83 since Q2 2023

5	6	7	8
Public transport	Servicing & Tyres	Registration, CTP & licensing	Roadside assist
$40.72	$34.54	$31.68	$2.34
+ $0.86 since Q2 2023	+ $0.49 since Q2 2023	+ $0.79 since Q2 2023	+ $0.06 since Q2 2023

Transport costs by category

Per week | Per household

Ranking of typical city and regional families' expenses remained largely unchanged over the September 2023 quarter. But for the typical capital city household, comprehensive insurance became a larger expense than public transport. For the typical regional household, comprehensive insurance became a larger expense than servicing and tyre costs.

Car loan payments remained the largest expense in the representative families' transport budgets, while roadside assistance was the smallest expense. The Index assumes a jurisdiction's capital city and regional households have the same roadside assistance and new car purchasing and financing costs. As metropolitan and regional households drive similar cars, the Index applies the same fuel efficiency and fuel mix assumptions.

Regional

1	2	3
Car loan payments	Fuel	Insurance
$188.84	$103.46	$35.02
↑ + $4.70 since Q2 2023	↑ + $6.16 since Q2 2023	↑ + $2.90 since Q2 2023

4	5	6
Servicing & Tyres	Registration, CTP & licensing	Roadside assist
$32.56	$30.19	$2.32
↑ + $0.43 since Q2 2023	↑ + $0.68 since Q2 2023	↑ + $0.05 since Q2 2023

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Transport costs by category

Per week | Per household

Car loan payments

Interest rates on new car loans rose 0.4 per cent in all jurisdictions. Typical upfront costs of purchasing a new car also rose by $646.

As a result, typical Australian car loan payments rose by $4.68 per week, or $243 a year.

Regional households incurred the same costs in this category as their capital city counterparts – the Index assumes a state's regional centres and its capital city have the same interest rates and new car purchase costs.

Capital cities

Average	Highest	Lowest
$188.87	Perth	Hobart
↑ + $4.68 since Q2 2023	↑ + $4.90	↑ + $4.50

Rank			
1	Perth	$191.09	+ $4.90
2	Sydney	$190.26	+ $4.79
3	Melbourne	$189.22	+ $4.55
4	Canberra	$189.06	+ $4.52
5	Adelaide	$188.44	+ $4.97
6	Darwin	$187.76	+ $4.65
7	Brisbane	$187.68	+ $4.58
8	Hobart	$187.45	+ $4.50
	Capital avg.	$188.87	+ $4.68

Regional

Average	Highest	Lowest
$188.84	Bunbury	Launceston
↑ + $4.70 since Q2 2023	↑ + $4.90	↑ + $4.50

Rank			
1	Bunbury	$191.09	+ $4.90
2	Wagga Wagga	$190.26	+ $4.79
3	Geelong	$189.22	+ $4.55
4	Mount Gambier	$188.44	+ $4.97
5	Alice Springs	$187.76	+ $4.65
6	Townsville	$187.68	+ $4.58
7	Launceston	$187.45	+ $4.50
	Regional avg.	$188.84	+ $4.70

Transport costs by category

Per week | Per household

Vehicle registration, CTP and driver's licence

Registration, compulsory third-party insurance (CTP), and licensing costs rose in all capital cities and regional centres. The Canberra household's $94 annual cost increase was the largest and the Adelaide household's $3 rise was the smallest.

Canberra remained the most expensive capital for registration, CTP and licensing, while Hobart still had the lowest costs in this category.

In the September quarter, the typical Canberra household spent an annualised $939 more on registration than its Hobart counterpart.

Bunbury remained the benchmark regional centre with the highest costs in this category and Mount Gambier the one with the lowest costs. Their typical households' costs differed by an annualised $653.

Capital cities

Average	Highest	Lowest
$31.68	Canberra	Hobart
↑ + $0.79 since Q2 2023	↑ + $1.81	↑ + $0.65

Rank			
1	Canberra	$41.82	+ $1.81
2	Perth	$35.65	+ $0.99
3	Melbourne	$34.58	+ $0.51
4	Darwin	$32.70	+ $1.15
5	Brisbane	$32.03	+ $0.80
6	Adelaide	$27.57	+ $0.06
7	Sydney	$25.35	+ $0.41
8	Hobart	$23.77	+ $0.65
	Capital avg.	$31.68	+ $0.79

Regional

Average	Highest	Lowest
$30.19	Bunbury	Mount Gambier
↑ + $0.68 since Q2 2023	↑ + $0.99	↑ + $0.34

Rank			
1	Bunbury	$35.65	+ $0.99
2 ↑	Alice Springs	$32.70	+ $1.15
3 ↓	Geelong	$32.42	+ $0.51
4 ↑	Townsville	$32.03	+ $0.80
5 ↓	Wagga Wagga	$31.64	+ $0.28
6	Launceston	$23.77	+ $0.65
7	Mount Gambier	$23.09	+ $0.34
	Regional avg.	$30.19	+ $0.68

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Transport costs by category

Per week | Per household

Comprehensive car insurance

Comprehensive insurance costs rose in all jurisdictions. Sydney premiums rose most sharply – up by $301 a year. The national capital city average rose by $199 a year and the national benchmark regional centre average rose by $151 a year.

Melbourne remained the capital with the most expensive insurance while Perth still had the cheapest. In the quarter, the typical Perth household spent an annualised $1,528 less on insurance than its Melbourne counterpart.

Townsville had the biggest benchmark region insurance cost rise – up by $3.63 a week or $189 a year.

Victoria has the biggest difference between a capital city and its benchmark regional counterpart. The typical Melbourne household spent an annualised $1,074 a year more on comprehensive insurance than its Geelong equivalent.

Capital cities

Average	Highest	Lowest
$42.67	Melbourne	Perth
↑ + $3.83 since Q2 2023	↑ + $5.42	↑ + $1.59

Rank

1	Melbourne	$56.93	+ $5.42
2	Brisbane	$49.80	+ $4.18
3	Darwin	$48.64	+ $4.47
4 ↑	Sydney	$44.50	+ $5.79
5 ↓	Adelaide	$43.96	+ $3.11
6	Canberra	$37.76	+ $2.08
7	Hobart	$32.26	+ $4.03
8	Perth	$27.53	+ $1.59
	Capital avg.	$42.67	+ $3.83

Regional

Average	Highest	Lowest
$35.02	Alice Springs	Bunbury
↑ + $2.90 since Q2 2023	↑ + $2.03	↑ + $1.35

Rank

1	Alice Springs	$47.66	+ $2.03
2	Townsville	$41.06	+ $3.63
3	Mount Gambier	$37.35	+ $3.06
4	Geelong	$36.28	+ $3.44
5	Wagga Wagga	$32.69	+ $3.35
6	Launceston	$27.15	+ $3.40
7	Bunbury	$22.94	+ $1.35
	Regional avg.	$35.02	+ $2.90

Transport costs by category

Per week | Per household

Servicing and tyres

Servicing and tyre costs increased in all capitals and all benchmark regions. These costs remained highest in Canberra. Adelaide replaced Brisbane as the capital with the cheapest servicing and tyre costs. In the September quarter, a typical Canberra household paid $17.12 a week (or annualised $891) more for servicing and tyres than its Adelaide counterpart.

Bunbury replaced Alice Springs as the benchmark regional location with the highest household costs in this category. Launceston remained the cheapest benchmark regional centre for servicing and tyres. In the September quarter, the typical Bunbury household's costs in this category were $11.69 a week (or $608 annually) higher than its Launceston counterpart's.

Capital cities

Average	Highest	Lowest
$34.54	Canberra	Adelaide
↑ + $0.49 since Q2 2023	↑ + $0.86	↑ + $0.31

Rank				
1		Canberra	$45.51	+ $0.86
2		Perth	$35.66	+ $0.45
3		Melbourne	$35.58	+ $0.43
4	↑	Sydney	$34.78	+ $0.36
5	↓	Darwin	$34.73	+ $0.24
6		Hobart	$33.13	+ $0.65
7	↑	Brisbane	$28.53	+ $0.61
8	↓	Adelaide	$28.39	+ $0.31
		Capital avg.	$34.54	+ $0.49

Regional

Average	Highest	Lowest
$32.56	Bunbury	Launceston
↑ + $0.43 since Q2 2023	↑ + $0.49	↑ + $0.52

Rank				
1	↑	Bunbury	$38.48	+ $0.49
2	↓	Alice Springs	$38.32	+ $0.25
3		Geelong	$34.08	+ $0.41
4		Wagga Wagga	$32.63	+ $0.34
5		Townsville	$29.08	+ $0.63
6		Mount Gambier	$28.51	+ $0.32
7		Launceston	$26.79	+ $0.52
		Regional avg.	$32.56	+ $0.43

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Transport costs by category

Per week | Per household

Fuel

Diesel and petrol prices rose across Australia.

The average capital city regular unleaded petrol retail price rose by 12.7 cents a litre, and the average diesel retail price rose 16.2 cents a litre.

But Sydney's average petrol price rose 18.2 cents a litre, and Adelaide's diesel price rose 21.0 cents a litre.

Across the benchmarked regional centres, petrol prices rose by an average of 11.1 cents per litre and diesel rose 15.5 cents per litre.

Alice Springs remained the regional centre with the most expensive fuel – $2.052 per litre for petrol (up from $1.947 in the June quarter) and $2.148 per litre for diesel (up from $2.021).

Capital cities

Average	Highest	Lowest
$100.29	Sydney	Adelaide
↑ + $6.67 since Q2 2023	↑ + $8.98	↑ + $6.27

Rank				
1	↑	Sydney	$102.88	+ $8.98
2	↓	Brisbane	$101.70	+ $6.18
3		Hobart	$101.40	+ $6.48
4	↓	Canberra	$101.00	+ $5.85
5	↑	Melbourne	$100.71	+ $6.95
6	↓	Darwin	$99.35	+ $5.35
7	↑	Perth	$97.79	+ $7.33
8	↓	Adelaide	$97.48	+ $6.27
		Capital avg.	$100.29	+ $6.67

Regional

Average	Highest	Lowest
$103.46	Bunbury	Wagga Wagga
↑ + $6.16 since Q2 2023	↑ + $6.80	↑ + $4.69

Rank			
1	Bunbury	$123.22	+ $6.80
2	Geelong	$120.98	+ $6.76
3	Launceston	$115.47	+ $7.43
4	Mount Gambier	$109.90	+ $6.77
5	Alice Springs	$108.73	+ $5.71
6	Townsville	$77.90	+ $4.99
7	Wagga Wagga	$68.05	+ $4.69
	Regional avg.	$103.46	+ $6.16

Transport costs by category

Per week | Per household

Public transport

In the September quarter, public transport costs increased in Melbourne, Adelaide, and Perth. The benchmark Melbourne household had the largest annual cost increase – $208.

Melbourne's cost increases meant its benchmark household public transport costs became equal with its Sydney counterpart's ranking equal second highest in this cost category.

Brisbane remained the capital city with the highest public transport costs and Darwin the one with the lowest. The typical Darwin household spent an annualised $2,063 per year (or $39.67 per week) less on public transport than its Brisbane counterpart.

Capital cities

Average	Highest	Lowest
$40.72	Brisbane	Darwin
↑ + $0.86 since Q2 2023	– Steady	– Steady

Rank

1		Brisbane	$59.67	-
2	↑	Melbourne	$50.00	+ $4.00
2		Sydney	$50.00	-
4		Perth	$45.90	+ $0.90
5		Adelaide	$42.50	+ $2.00
6		Canberra	$29.72	-
7		Hobart	$28.00	-
8		Darwin	$20.00	-
		Capital avg.	$40.72	+ $0.86

Toll roads

Only Sydney, Melbourne and Brisbane use toll roads. Toll road costs rose in all three cities increased. Brisbane's annualised jump of $218 was the largest increase. Rises were more modest in Sydney ($12) and Melbourne ($31). Sydney and Melbourne toll charges are adjusted quarterly. Brisbane's charges change at the start of each financial year.

Brisbane's rise made Melbourne the least expensive city for tolls. But the Sydney household continued to pay the most for toll roads even though its increase was partially offset when the 2023-24 financial year maximum toll relief rebate rose by $52 to $802. The typical Melbourne household spent $23.62 per week (or $1,228 per year) less on tolls than its Sydney counterpart.

Capital cities

Average	Highest	Lowest
$67.87	Sydney	Melbourne
↑ + $1.68 since Q2 2023	↑ + $0.24	↑ + $0.60

Rank

1		Sydney	$83.02	+ $0.24
2	↑	Brisbane	$61.20	+ $4.20
3	↓	Melbourne	$59.40	+ $0.60
		Avg.	$67.87	+ $1.68

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Transport costs by category

Per week | Per household

Roadside assistance

Tasmania had the highest ongoing roadside assistance costs at $2.54 a week or $132 a year, while the Northern Territory had the lowest at $1.96 a week or $102 a year.

Roadside assistance costs are based on 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 statewide pricing.

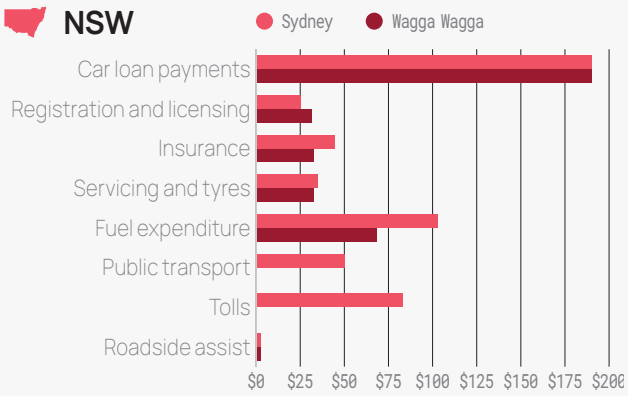
Average	Highest	Lowest
$2.34	TAS	NT
↑ + $0.06 since Q2 2023	↑ + $0.12	– Steady

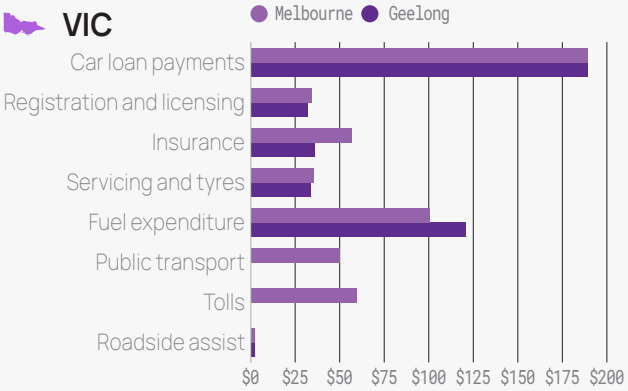
Rank				
1		TAS	$2.54	+ $0.12
2	↑	NSW	$2.48	+ $0.15
2	↑	ACT	$2.48	+ $0.15
2	↓	VIC	$2.48	+ $0.06
5	↑	WA	$2.29	+ $0.06
5		SA	$2.29	-
7	↓	QLD	$2.23	-
8		NT	$1.96	-
		Avg.	$2.34	+ $0.06

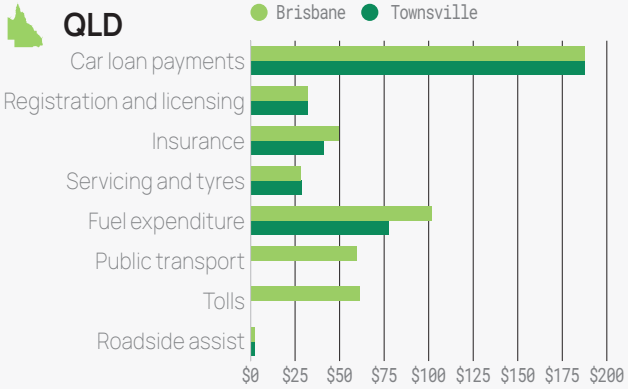
State by state overview

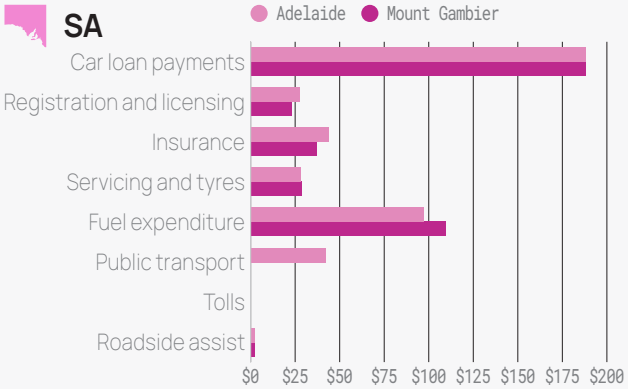
Capital city vs regional centre comparison

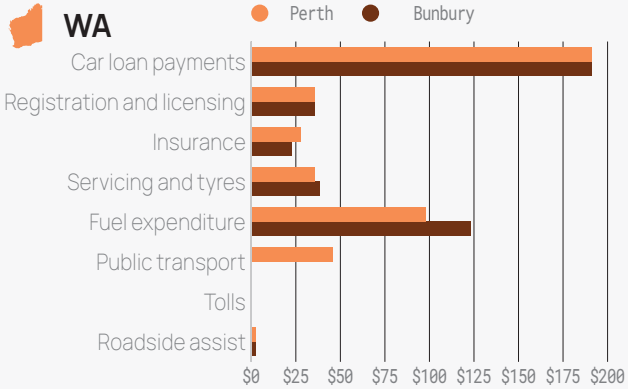
Per week | Per household

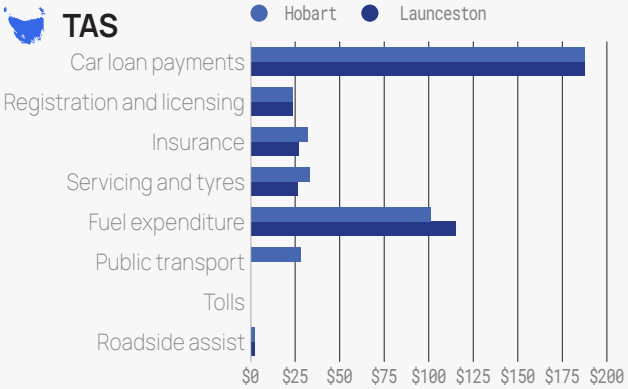


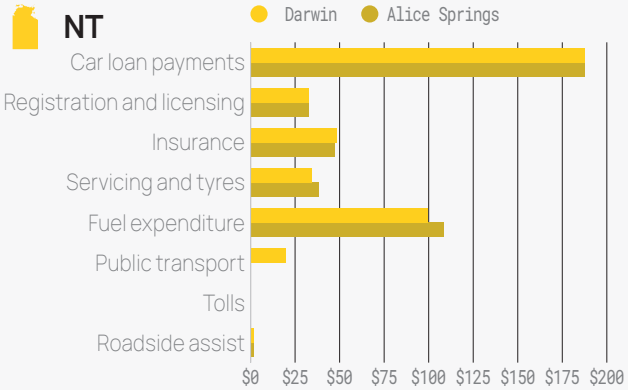


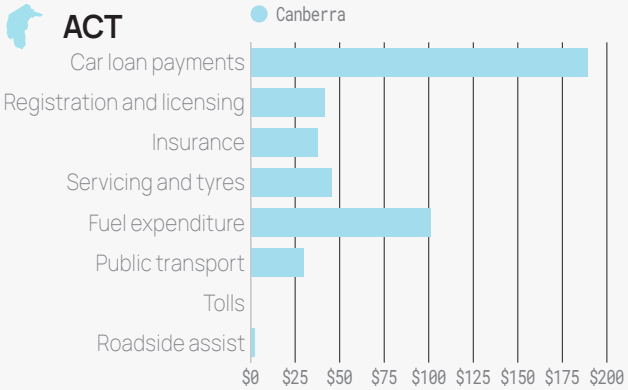












NSW transport costs

Per household

Sydney

Sydney remained the city with the highest total transport costs. Its annualised typical household transport costs rose by $1,077, driven by significant increases in fuel expenditure (up by $467), comprehensive insurance (up $301), and car loan repayments (up $250).

Sydney's typical household spent 16.5 per cent of its income on transport, up from 16 per cent in previous quarter. But its high income still meant its typical household was still spending a smaller share of its income on transport than the capital city average of 16.9 per cent.

cost rank	affordability rank
1 / 8	5 / 8
highest cost	
Total weekly transport costs	% of income
$533.27	16.5%
↑ + $20.72 since Q2 2023	↑ + 0.5% since Q2 2023

Wagga Wagga

Wagga Wagga remained the benchmark regional centre with the lowest transport costs – both in terms of total costs (at $18,603 a year) and in its local income-to-cost ratio (affordability). Its annual transport costs increased by $707. This was driven by significant increases in car loan repayments, fuel expenditures and comprehensive insurance – $250, $244, and $174, respectively.

In the September quarter, Wagga Wagga's typical household spent 12.1 per cent of income on transport – the smallest share among all the benchmark centres.

cost rank	affordability rank
7 / 7	7 / 7
lowest cost	most affordable*
Total weekly transport costs	% of income
$357.75	12.1%
↑ + $13.60 since Q2 2023	↑ + 0.4% since Q2 2023

*by local purchasing power

Changes in weekly transport costs

↑ Increased

- Fuel expenditure +$8.98
- Insurance +$5.79
- Car loan payments +$4.79
- Rego, CTP & licensing +$0.41
- Servicing & tyres +$0.36
- Tolls +$0.24
- Roadside assistance +$0.15

– Unchanged

- Public transport

↑ Increased

- Car loan payments +$4.79
- Fuel expenditure +$4.69
- Insurance + $3.35
- Servicing & tyres +$0.34
- Rego, CTP & licensing +$0.28
- Roadside assistance +0.15

VIC transport costs

Per household

Melbourne

Melbourne remained Australia's second-most expensive city for transport. Its annualised typical household transport costs rose to $27,503 – up $1,171 per annum from the June quarter. This was driven by significant increases in fuel expenditure (up by $361), comprehensive insurance (up $281) and car loan repayments (up $236).

Annualised public transport costs rose by $208. Melbourne's cost increase made its typical household weekly public transport costs equal with Sydney's. But Brisbane has higher costs in that category.

Melbourne remains the capital with the most expensive comprehensive car insurance.

cost rank	affordability rank
2 / 8	3 / 8
Total weekly transport costs	% of income
$528.90	17.7%
↑ + $22.52 since Q2 2023	↑ + 0.1% since Q2 2023

Geelong

Geelong remained the regional centre with the second-highest costs. Its annualised household transport costs rose to $21,604, an increase of $818 from the previous quarter. This was driven by significant increases in fuel expenditure (up by $352), car loan repayments (up $236), and comprehensive insurance (up $179).

The Geelong household spent 14.5 per cent of its income on transport – well below Melbourne's 17.7 per cent and the regional benchmark centre average of 15.7 per cent.

cost rank	affordability rank
2 / 7	5 / 7
Total weekly transport costs	% of income
$415.46	14.5%
↑ + $15.73 since Q2 2023	– Steady since Q2 2023

Changes in weekly transport costs

↑ Increased

- Fuel expenditure +$6.95
- Insurance +$5.42
- Car loan payments +$4.55
- Public transport +$4.00
- Tolls +$0.60
- Rego, CTP & licensing +$0.51
- Servicing & tyres +$0.43
- Roadside assistance +$0.06

↑ Increased

- Fuel expenditure +$6.76
- Car loan payments +$4.55
- Insurance +$3.44
- Rego, CTP & licensing +$0.51
- Servicing & tyres +$0.41
- Roadside assistance +$0.06

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QLD transport costs

Per household

Brisbane

Annualised transport costs for Brisbane's typical household rose to $27,188 – up by $1,069 – in the September quarter. This was driven by increases in fuel expenditure (up by $321), car loan repayments (up $238), tolls (up $218), and comprehensive insurance (up $218).

Brisbane remains the capital with the third-most expensive and second-least affordable transport . It still has Australia's most expensive public transport. It also had the largest September quarter rise in toll road costs – up by $218 a year. But it has annual toll indexation while Sydney and Melbourne have quarterly indexation.

cost rank	affordability rank
3 / 8	2 / 8
Total weekly transport costs	% of income
$522.84	18.6%
↑ + $20.55 since Q2 2023	↑ + 0.3% since Q2 2023

Townsville

In the September quarter, the typical Townsville household's annualised transport costs rose by $761 to reach $19,239. This was driven by increases in fuel expenditure (up by $260), car loan repayments (up by $238), and comprehensive insurance (up $189).

Townsville remained the benchmark regional centre with the second-least expensive and the second-most affordable transport costs when measured by local purchasing power.

cost rank	affordability rank
6 / 7	6 / 7
Total weekly transport costs	% of income
$369.98	13.7%
↑ + $14.63 since Q2 2023	↑ + 0.3% since Q2 2023

Changes in weekly transport costs

↑ Increased

- Fuel expenditure +$6.18
- Car loan payments +$4.58
- Tolls +$4.20
- Insurance +$4.18
- Rego, CTP & licensing +$0.80
- Servicing & tyres +$0.61

– Unchanged

- Public transport
- Roadside assistance

↑ Increased

- Fuel expenditure +$4.99
- Car loan payments +$4.58
- Insurance +$3.63
- Rego, CTP & licensing +$0.80
- Servicing & tyres +$0.63

– Unchanged

- Roadside assistance

SA transport costs

Per household

Adelaide

Adelaide's annualised typical household transport costs rose by $870.

Increase included fuel expenditure (up $6.27 a week or $326 a year); car loan payments up $4.97 a week or $259 a year; insurance up $3.11 a week or $162 a year; and public transport costs up $2 a week or $104 a year).

In the September quarter, Adelaide had the cheapest servicing costs and fuel expenditures among all capitals. It was one of only three capitals where public transport fares rose.

cost rank	affordability rank
6 / 8	6 / 8
Total weekly transport costs	% of income
$430.63	16.1%
↑ + $16.72 since Q2 2023	↑ + 0.6% since Q2 2023

Mount Gambier

Mount Gambier's annualised typical household transport costs rose to $20,258 in the September quarter – up by $804 from the previous quarter. This was driven by significant increases in fuel expenditure (up by $352), car loan repayments (up $259), and comprehensive insurance (up $159).

cost rank	affordability rank
4 / 7	3 / 7
Total weekly transport costs	% of income
$389.58	16.3%
↑ + $15.46 since Q2 2023	↑ + 0.6% since Q2 2023

Changes in weekly transport costs

↑ Increased

- Fuel expenditure +$6.27
- Car loan payments +$4.97
- Insurance +$3.11
- Public transport +$2.00
- Servicing & tyres +$0.31
- Rego, CTP & licensing +$0.06

– Unchanged

- Roadside assistance

↑ Increased

- Fuel expenditure +$6.77
- Car loan payments +$4.97
- Insurance +$3.06
- Rego, CTP & licensing +$0.34
- Servicing & tyres +$0.32

– Unchanged

- Roadside assistance

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WA transport costs

Per household

Perth

In the September quarter, the typical Perth household's annualised transport costs rose by $843 to reach $22,667. This was mainly due to higher fuel expenditures (up $381 annualised) and car loan repayments (up $255). Perth still has Australia's most expensive car loan repayments and the cheapest capital city comprehensive car insurance.

Perth was one of only three capitals (alongside Melbourne and Adelaide) where public transport fares rose, albeit the smallest annual increase at $47.

cost rank	affordability rank
5 / 8	7 / 8
Total weekly transport costs	% of income
$435.91	15.1%
↑ + $16.22 since Q2 2023	↑ + 0.5% since Q2 2023

Bunbury

Bunbury's typical annualised household transport costs rose by $759 to reach $21,511. This increase was driven by significant jumps in fuel expenditure and car loan repayments – $353 and $255, respectively.

Bunbury still had the most expensive car loan repayments, registration, CTP & licensing, and fuel expenditures among the benchmark regional centres. In the September quarter, it also had the most expensive servicing costs, rising from second-most expensive in the June quarter. But it still had the cheapest comprehensive car insurance among all benchmark regional centres.

cost rank	affordability rank
3 / 7	4 / 7
Total weekly transport costs	% of income
$413.67	15.4%
↑ + $14.59 since Q2 2023	↑ + 0.4% since Q2 2023

Changes in weekly transport costs

↑ Increased

- Fuel expenditure +$7.33
- Car loan payments +$4.90
- Insurance +$1.59
- Rego, CTP & licensing +$0.99
- Public transport +$0.90
- Servicing & tyres +$0.45
- Roadside assistance +$0.06

↑ Increased

- Fuel expenditure +$6.80
- Car loan payments +$4.90
- Insurance +$1.35
- Rego, CTP & licensing +$0.99
- Servicing & tyres +$0.49
- Roadside assistance +$0.06

TAS transport costs

Per household

Hobart

Hobart's annualised typical household transport costs rose to $21,245 – up $855 from the previous quarter. This was driven by significant increases in fuel expenditure (up by $337), car loan repayments (up $234), and comprehensive insurance (up $210).

Hobart's September quarter car loan repayments and registration, CTP, and licensing costs – and its aggregate transport costs – were still cheaper than in any other capital city. Despite this, it remained the capital with the least affordable transport when measured by local purchasing power.

cost rank	affordability rank
8 / 8	1 / 8
lowest cost	least affordable*
Total weekly transport costs	% of income
$408.55	19.3%
↑ + $16.43 since Q2 2023	↑ + 0.8% since Q2 2023

*by local purchasing power

Launceston

Launceston's annualised household transport costs rose by $864 to reach $19,925 – the highest jump among the benchmark regional centres. This was driven by fuel expenditure (up $386), car loan repayments (up $234), and comprehensive insurance (up $177).

Launceston still has the country's cheapest car loan repayments and servicing costs among all regional centres, and the third-cheapest transport costs (behind only Wagga Wagga and Townsville).

But it remained the least affordable of the capitals and benchmark regional centres because it has the lowest average earnings.

cost rank	affordability rank
5 / 7	1 / 7
	least affordable*
Total weekly transport costs	% of income
$383.17	19.9%
↑ + $16.62 since Q2 2023	↑ + 0.9% since Q2 2023

*by local purchasing power

Changes in weekly transport costs

↑ Increased

- Fuel expenditure +$6.48
- Car loan payments +$4.50
- Insurance +$4.03
- Servicing & tyres +$0.65
- Rego, CTP & licensing +$0.65
- Roadside assistance +$0.12

– Unchanged

- Public transport

↑ Increased

- Fuel expenditure +$7.43
- Car loan payments +$4.50
- Insurance +$3.40
- Rego, CTP & licensing +$0.65
- Servicing & tyres +$0.52
- Roadside assistance +$0.12

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NT transport costs

Per household

Darwin

In the September quarter, Darwin's annualised typical household transport costs rose by $824 to reach $22,107 a year.

This was driven by significant increases in fuel expenditure (up $278), car loan repayments (up $242), and comprehensive insurance (up $232).

Darwin has the cheapest public transport among all capital cities. It remained the capital with the second-lowest and the fourth-least affordable transport costs.

cost rank	affordability rank
7 / 8	4 / 8
Total weekly transport costs	% of income
$425.14	17.1%
↑ + $15.86 since Q2 2023	↑ + 0.6% since Q2 2023

Alice Springs

Alice Springs remained the regional centre with the highest annualised transport costs – which rose to $21,691 a year, up $717 from the previous quarter.

This was driven by significant increases in fuel expenditure (up $297), car loan repayments (up $242), and comprehensive insurance (up $105).

Alice Springs still had the most expensive comprehensive car insurance among all regional centres. It remained the most expensive and second-least affordable benchmarked regional centre.

cost rank	affordability rank
1 / 7 highest cost	2 / 7
Total weekly transport costs	% of income
$417.13	17.9%
↑ + $13.79 since Q2 2023	↑ + 0.6% since Q2 2023

Changes in weekly transport costs

↑ Increased

- Fuel expenditure +$5.35
- Car loan payments +$4.65
- Insurance +$4.47
- Rego, CTP & licensing +$1.15
- Servicing & tyres +$0.24

— Unchanged

- Public transport
- Roadside assistance

↑ Increased

- Fuel expenditure +$5.71
- Car loan payments +$4.65
- Insurance +$2.03
- Rego, CTP & licensing +$1.15
- Servicing & tyres +$0.25

— Unchanged

- Roadside assistance

ACT transport costs

Per household

Canberra

In the September quarter, the typical Canberra household's annualised transport costs rose by $794 to reach $23,262. The two biggest drivers of this increase were rising fuel expenditure (up by $304 from the previous quarter) and car loan repayments (up $235). In addition, annualised comprehensive insurance premiums rose by $109.

Canberra has the country's the most expensive registration, CTP and licensing, and servicing and tyre costs. In the September quarter, it remained both the capital with the fourth-highest total transport costs, and the one with the most affordable transport when measured by local purchasing power.

cost rank	affordability rank
4 / 8	8 / 8 most affordable*
Total weekly transport costs	% of income
$447.35	14.6%
↑ + $15.27 since Q2 2023	↑ + 0.1% since Q2 2023

*by local purchasing power

Changes in weekly transport costs

↑ Increased

- Fuel expenditure +$5.85
- Car loan payments +$4.52
- Insurance +$2.08
- Rego, CTP & licensing +$1.81
- Servicing & tyres +$0.86
- Roadside assistance +$0.15

— Unchanged

- Public transport

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Background and methodology

Overview

The AAA and SGS Economics developed the Transport Affordability Index as an indicator of movements in the total price of household transport through a longitudinal study design approach. It uses economic modelling to illustrate changes over time to transport costs relative to movements in the CPI and household incomes. The Index provides a snapshot of the costs of transport for a hypothetical or "benchmark" household in each capital city and in a regional location in each state and the Northern Territory by transport cost category (upfront, ongoing, and other "typical" costs) over time.

As with any economic modelling, the Index is built on a series of assumptions that remain constant over time. Since its release in 2016, the same specific data points have been updated and changes have been tracked quarterly. This longitudinal approach provides a way of understanding the degree and direction of change in costs by location over time. It is conceptually akin to the Australian Bureau of Statistics' "basket of goods" used to identify and track CPI over time.

As well as tracking the original data points, the Index also accommodates all relevant government policy levers that impact transport costs (such as toll relief schemes and public transport discounts and caps).

The hypothetical households

The Index's economic modelling is based on a "hypothetical household" whose key characteristics are drawn from the Australian Bureau of Statistics (including census data), the Bureau of Infrastructure and Transport Research Economics (including motor vehicle use), and industry (including new vehicle sales and fuel prices).

For the purposes of the economic modelling, it is assumed the hypothetical household:

- Comprises a 36-year-old male and a 38-year-old female with children living in a detached house.
- Has both adults employed full time and commuting each weekday to workplaces in or near their city or town's CBD.
- Has two cars – a near-new car financed with a variable-rate car loan and an older car owned outright. Both vehicles are roadworthy and registered, and they are garaged at home.
- Has comprehensive car insurance (for this purpose the drivers have a spotless driving record).
- Services both vehicles according to manufacturers' guidelines.

These characteristics are used to contextualise and model transport costs in each capital city and in one regional centre in every state and the Northern Territory.

The households in each capital city and benchmark regional centre are identical in almost all respects to enable ready comparison. But their transport costs differ based on where they live. Their assumed vehicle and public usage can also vary in some respects based on known local differences.

*"The Index is conceptually akin to the ABS **'basket of goods'** used to identify and track CPI over time."*

The capital city households

For each capital city household, it is assumed that the household's new car is driven 15,000 kilometres per year and its older car is driven 10,000 kilometres per year.

In each capital city, the hypothetical household is assumed to live in middle to outer-ring suburbs with relatively high population density and good access to public transport.

To ensure public transport costs are captured, the Index assumes one adult of the household commutes to and from work by public transport each weekday.

In the case of Sydney, Melbourne and Brisbane, the family also uses toll roads to commute.

The Index assumes one member of the household uses toll roads every weekday in Melbourne and Brisbane to travel to and from work.

For Sydney, it assumes that one member of the family uses toll roads to commute only two days a week because toll costs are high and alternative routes are available.

The regional households

The Index's benchmark regional locations were selected as they have populations of over 10,000 people; have relatively dense populations; 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 Index recognises that typical households in regional locations:

- Generally face higher fuel prices than their city counterparts.
- Earn less than their state or territory capital city counterparts.
- Pay less for insurance because most jurisdictions offer lower comprehensive premiums on new and used cars in regional areas.
- Do not pay to use toll roads.
- Do not pay for public transport as there is little or limited availability in regional areas.
- Have different commuting distances and patterns than their city counterparts (which are specific for the respective areas).

Incomes are based on ABS data for city and regional centres. This means that all the benchmark regional households have lower weekly earnings than their capital city counterparts.

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