



TRANSPORT AFFORDABILITY INDEX

DECEMBER QUARTER 2023



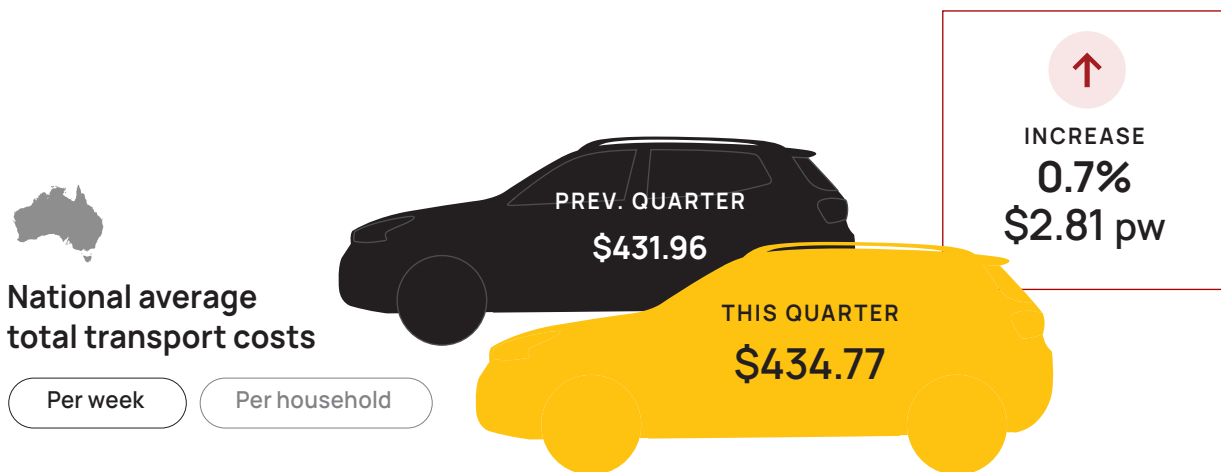
Australian
Automobile
Association

Released March 2024



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Transport cost inflation eases but prices remain high



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

The latest AAA Transport Affordability Index shows that in the December 2023 quarter, the typical Australian household's transport costs rose by 0.7 per cent (0.6 per cent for the typical capital city household and 0.8 per cent for the typical regional household).

This was roughly in line with the quarter's Consumer Price Index increase of 0.6 per cent.

In the December 2022 quarter, the typical capital city household spent 15.6 per cent of its income on transport, but a year later this had risen to 17.0 per cent. Over the same period, the typical regional benchmark centre household's transport expenditure rose from 14.4 per cent of its income to 15.8 per cent.

In 2023, the CPI rose 4.1 per cent, but typical Australian household transport costs rose by 13 per cent (12.4 per cent for the typical capital city household and 13.7 per cent for the typical regional household).

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

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

The continuing decline of transport affordability is a heavy burden at a time when Australians are feeling cost-of-living pressures across the board.

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



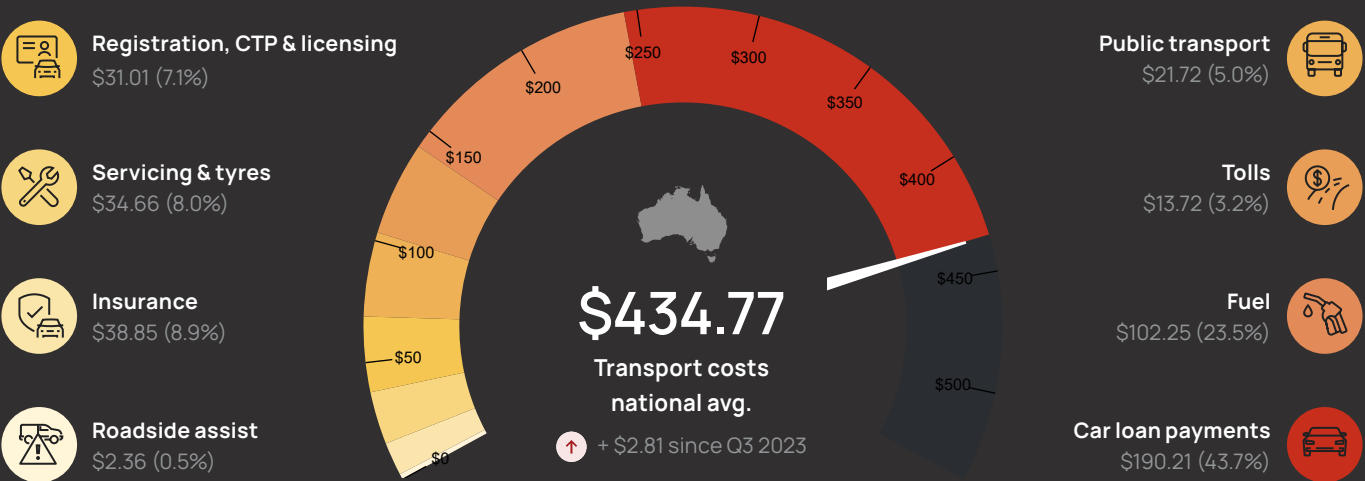
Michael Bradley
Managing Director
Australian Automobile Association

December Quarter 2023

Total transport costs

Per week




Per household






Capital cities

Regional




Total costs

AVERAGE	HIGHEST	LOWEST
 \$469.26 ↑ + \$2.69 since Q3 2023	 Sydney ↑ + \$4.14	 Hobart ↑ + \$0.86




Total costs

AVERAGE	HIGHEST	LOWEST
 \$395.35 ↑ + \$2.96 since Q3 2023	 Alice Springs ↑ + \$7.53	 Wagga Wagga ↑ + \$3.40

Affordability (% of income)

 17.0% ↑ + 0.1% since Q3 2023	 Hobart — Steady	 Canberra ↑ + 0.1%
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Affordability (% of income)

 15.8% ↑ + 0.1% since Q3 2023	 Launceston ↑ + 0.2%	 Wagga Wagga ↑ + 0.1%
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Total transport costs


Per year

Per household

VIEW COSTS PER WEEK (PAGE 6) →

 Capital cities

Capital average



\$24,402









↑ \$140 since Q3 2023

In the December quarter, the typical Australian capital city household's annualised cost of transport increased by \$140 to \$24,402. This 0.6 per cent rise matched the consumer price index (CPI) increase.


The largest component in the higher transport costs was rising car loan payments – up by an annualised

average of \$71 across the capitals. But servicing and tyres costs had the highest percentage increase – 3.0 per cent – rising by \$54 to reach \$1,850 on an annualised basis.

Darwin had the greatest December quarter increase in transport costs – up by \$310 a year.

1	2	3	4
			
Sydney	Melbourne	Brisbane	Canberra
\$27,945	\$27,777	\$27,354	\$23,493
↑ + \$215 since Q3 2023	↑ + \$274 since Q3 2023	↑ + \$166 since Q3 2023	↑ + \$231 since Q3 2023
5	6	7	8
			
Perth	Darwin	Adelaide	Hobart
\$22,779	\$22,417	\$22,159	\$21,289
↑ + \$112 since Q3 2023	↑ + \$310 since Q3 2023	↓ - \$234 since Q3 2023	↑ + \$44 since Q3 2023

Average taxes




Fuel excise

\$1,283

– Steady since Q3 2023

+



Registration, CTP and licensing

\$1,650

↑ + \$2 since Q3 2023

=

Household total

\$2,933

↑ + \$2 since Q3 2023

Total transport costs


Per year

Per household

VIEW COSTS PER WEEK (PAGE 7) →

Regional

Regional average



\$20,558





↑ + \$154 since Q3 2023




The national benchmark regional household's annual cost of transport rose \$154 from the previous quarter – up 0.8 per cent – to reach \$20,558. This was higher than the CPI rise and the typical capital city household's transport costs rise, which were both 0.6 per cent.


As in the capitals, the largest component in the higher transport costs was higher car loan repayments (up by an annualised

\$70 across the benchmark regions) and the highest relative change was servicing and tyres cost, which rose by \$55 a year or 3.3 per cent.

Alice Springs had the biggest absolute and relative cost rises among the benchmarked regional centres. Its typical household's annualised transport costs rose by \$391 (1.8 per cent) from the previous quarter.

1	2	3	4
			
Alice Springs	Geelong	Bunbury	Launceston
\$22,082	\$21,911	\$21,681	\$20,094
↑ + \$391 since Q3 2023	↑ + \$307 since Q3 2023	↑ + \$170 since Q3 2023	↑ + \$169 since Q3 2023


5	6	7
		
Mount Gambier	Townsville	Wagga Wagga
\$19,948	\$19,413	\$18,780
↓ - \$310 since Q3 2023	↑ + \$174 since Q3 2023	↑ + \$177 since Q3 2023



Explore the interactive data

DATA.AAA.ASN.AU

Average taxes




Fuel Excise

\$1,346

– Steady since Q3 2023

+



Registration, CTP and Licensing

\$1,569

↓ - \$1 since Q3 2023

=

Household total

\$2,915

↓ - \$1 since Q3 2023

Total transport costs

Per week

Per household



Capital cities

Capital average











\$469.26

↑ + \$2.69 since Q3 2023

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

Adelaide is now the capital city with the second-cheapest transport costs, replacing Darwin which is now the third-cheapest.

The typical Sydney household spent \$128.00 more on transport each week than its Hobart counterpart.

1	2	3	4
 Sydney \$537.41 ↑ + \$4.14 since Q3 2023	 Melbourne \$534.17 ↑ + \$5.27 since Q3 2023	 Brisbane \$526.04 ↑ + \$3.20 since Q3 2023	 Canberra \$451.79 ↑ + \$4.44 since Q3 2023
5	6	7	8
 Perth \$438.06 ↑ + \$2.15 since Q3 2023	 Darwin \$431.09 ↑ + \$5.95 since Q3 2023	 Adelaide \$426.13 ↓ - \$4.50 since Q3 2023	 Hobart \$409.41 ↑ + \$0.86 since Q3 2023


Total transport costs

Per week


Per household

Regional

Regional average



\$395.35
















 + \$2.96 since Q3 2023

Transport costs rose in six of the seven benchmark regional centres. But nationally averaged regional benchmark costs were \$73.91 a week cheaper than the average capital city household costs.

In the December quarter, Alice Springs remained the most expensive regional benchmark centre and Wagga Wagga the cheapest. Mount Gambier and

Launceston swapped places as the third-cheapest and fourth-cheapest centres following costs rises in Tasmania and falls in South Australia.

The typical Alice Springs household spent \$63.51 more on transport in a week than its Wagga Wagga counterpart.

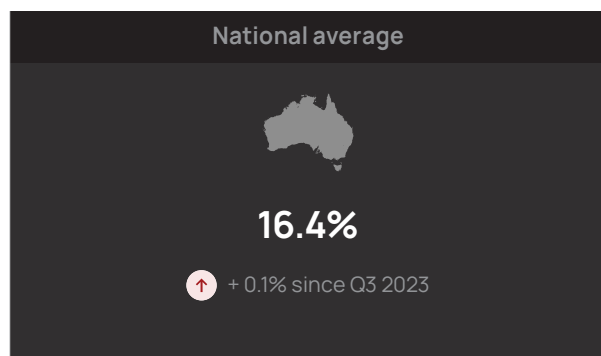
1	2	3	4
<div></div> <div>Alice Springs</div> <div>\$424.66</div> <div> + \$7.53 since Q3 2023</div>	<div></div> <div>Geelong</div> <div>\$421.36</div> <div> + \$5.90 since Q3 2023</div>	<div></div> <div>Bunbury</div> <div>\$416.95</div> <div> + \$3.28 since Q3 2023</div>	<div></div> <div>Launceston</div> <div>\$386.42</div> <div> + \$3.25 since Q3 2023</div>
5	6	7	
<div></div> <div>Mount Gambier</div> <div>\$383.61</div> <div> - \$5.97 since Q3 2023</div>	<div></div> <div>Townsville</div> <div>\$373.32</div> <div> + \$3.34 since Q3 2023</div>	<div></div> <div>Wagga Wagga</div> <div>\$361.15</div> <div> + \$3.40 since Q3 2023</div>	<div></div> <div>Explore the interactive data</div> <div>DATA.AAA.ASN.AU</div>

Transport affordability

Costs as a percentage of income

Per week

Per household






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 14.8 per cent of income on transport) and Hobart the least affordable (spending 19.3 per cent of income on transport). The typical Sydney household spent only 16.6 per cent of its income on transport, despite having the highest absolute costs.



Capital cities

Average	Highest	Lowest
 17.0% ↑ + 0.1% since Q3 2023	 Hobart – Steady since Q3 2023	 Canberra ↑ + 0.1% since Q3 2023

Rank

		March Qtr 2023	June Qtr 2023	Sept Qtr 2023	Dec Qtr 2023
1	 Hobart	18.4%	18.5%	19.3%	19.3%
2	 Brisbane	18.2%	18.2%	18.6%	18.7%
3	 Melbourne	17.5%	17.6%	17.7%	17.9%
4	 Darwin	16.6%	16.5%	17.1%	17.4%
5	 Sydney	16.0%	16.0%	16.5%	16.6%
6	 Adelaide	15.5%	15.5%	16.1%	16.0%
7	 Perth	14.5%	14.6%	15.1%	15.1%
8	 Canberra	14.4%	14.6%	14.6%	14.8%
	 Capital avg.	16.4%	16.4%	16.9%	17.0%

Transport affordability

Costs as a percentage of income

Per week




Per household

In the December quarter, transport costs consumed 16.4 per cent of the typical Australian household's income, up from 16.3 per cent in the previous quarter.









Transport consumed 17.0 per cent of a typical capital city household's income (up from 16.9 per cent) and 15.8 per cent of a typical regional household's income (up from 15.7 per cent).



Regional

Average	Highest	Lowest
		
15.8%	Launceston	Wagga Wagga
↑ + 0.1% since Q3 2023	↑ + 0.2% since Q3 2023	↑ + 0.1% since Q3 2023

Rank

		March Qtr 2023	June Qtr 2023	Sept Qtr 2023	Dec Qtr 2023
1	 Launceston	18.9%	19.0%	19.9%	20.1%
2	 Alice Springs	17.3%	17.3%	17.9%	18.2%
3	 Mount Gambier	15.6%	15.7%	16.3%	16.1%
4	 Bunbury	14.8%	15.0%	15.4%	15.5%
5	 Geelong	14.3%	14.4%	14.5%	14.7%
6	 Townsville	13.4%	13.4%	13.7%	13.8%
7	 Wagga Wagga	11.8%	11.8%	12.1%	12.3%
	 Regional avg.	15.1%	15.2%	15.7%	15.8%



Explore the interactive data

DATA.AAA.ASN.AU →

Transport costs by category

Per week









Per household

In the December 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 Hobart, Launceston and Sydney following various adjustments to registration, compulsory third-party insurance, and licensing costs. Costs fell in Wagga Wagga.
- < **Comprehensive insurance:** premiums increased in all benchmark locations, except Adelaide, Hobart, Bunbury, Mount Gambier and Launceston.
- < **Car maintenance:** costs increased in all locations.
- < **Fuel expenditure:** fuel expenditure rose in all benchmarked regional centres (except Mt Gambier) and in four of the eight capitals. But because fuel expenditure fell in the two largest cities (and Perth and Hobart) the capital city average expenditure fell.
- < **Toll roads:** scheduled indexation increased toll road costs in Sydney and Melbourne.
- < **Public Transport:** no change.



Capital cities

1	2	3	4
 <p>Car loan payments \$190.23</p> <p>↑ + \$1.36 since Q3 2023</p>	 <p>Fuel \$100.25</p> <p>↓ - \$0.04 since Q3 2023</p>	 <p>Tolls \$68.59</p> <p>↑ + \$0.72 since Q3 2023</p>	 <p>Insurance \$42.67</p> <p>— Steady since Q3 2023</p>
5	6	7	8
 <p>Public transport \$40.72</p> <p>— Steady since Q3 2023</p>	 <p>Servicing & Tyres \$35.57</p> <p>↑ + \$1.03 since Q3 2023</p>	 <p>Registration, CTP & licensing \$31.74</p> <p>↑ + \$0.06 since Q3 2023</p>	 <p>Roadside assist \$2.36</p> <p>↑ + \$0.02 since Q3 2023</p>

Transport costs by category

Per week

Per household







In the December quarter, Adelaide replaced Darwin as the second-cheapest capital city and Mount Gambier replaced Launceston as the third-cheapest benchmarked regional centre. Otherwise, the ranking of typical city and regional families' expenses remained largely unchanged.

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 financing costs. As metropolitan and regional households drive similar cars, the Index also applies the same fuel efficiency and fuel mix assumptions.



Regional

1	2	3
 Car loan payments \$190.19 ↑ + \$1.35 since Q3 2023	 Fuel \$104.55 ↑ + \$1.09 since Q3 2023	 Insurance \$34.48 ↓ - \$0.54 since Q3 2023
4	5	6
 Servicing & Tyres \$33.62 ↑ + \$1.06 since Q3 2023	 Registration, CTP & licensing \$30.18 ↓ - \$0.01 since Q3 2023	 Roadside assist \$2.35 ↑ + \$0.03 since Q3 2023



Explore the interactive data

DATA.AAA.ASN.AU →

Transport costs by category

Per week

Per household



Car loan payments

Interest rates on new car loans rose 0.2 per cent in all jurisdictions. Typical upfront costs for buying a new car also rose by \$277.




As a result, typical Australian car loan payments rose by \$1.36 per week, or \$70 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.










In the December quarter, Brisbane and Townsville displaced Hobart and Launceston as the benchmark locations with the least-expensive car loan repayments.



Capital cities




Average	Highest	Lowest
		
\$190.23	Perth	Brisbane
↑ + \$1.36 since Q3 2023	↑ + \$1.60	↑ + \$1.13

Rank



1		Perth	\$192.69	+ \$1.60
2		Sydney	\$191.10	+ \$0.84
3		Melbourne	\$190.63	+ \$1.41
4		Canberra	\$190.57	+ \$1.51
5		Adelaide	\$189.61	+ \$1.17
6		Darwin	\$189.32	+ \$1.56
7	↑ 	Hobart	\$189.14	+ \$1.69
8	↓ 	Brisbane	\$188.81	+ \$1.13
		Capital avg.	\$190.23	+ \$1.36



Regional

Average	Highest	Lowest
		
\$190.19	Bunbury	Townsville
↑ + \$1.35 since Q3 2023	↑ + \$1.60	↑ + \$1.13

Rank

1		Bunbury	\$192.69	+ \$1.60
2		Wagga Wagga	\$191.10	+ \$0.84
3		Geelong	\$190.63	+ \$1.41
4		Mount Gambier	\$189.61	+ \$1.17
5		Alice Springs	\$189.32	+ \$1.56
6	↑ 	Launceston	\$189.14	+ \$1.69
7	↓ 	Townsville	\$188.81	+ \$1.13
		Regional avg.	\$190.19	+ \$1.35

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 Hobart and Sydney.

But Hobart remained the capital with the cheapest costs in this category.




Canberra still has the country's most expensive registration, CTP, and licensing costs.










In the December quarter, the typical Canberra household's annualised costs in this category were \$925 more than its Hobart counterpart's.

Bunbury remained the benchmark regional centre with the highest and Mount Gambier the centre with the lowest registration, CTP, and licensing costs. These town's typical households' annualised costs in this category differed by \$653.






Capital cities









Average	Highest	Lowest
		
\$31.74	Canberra	Hobart
↑ + \$0.06 since Q3 2023	— Steady	↑ + \$0.27

Rank				
1		Canberra	\$41.82	-
2		Perth	\$35.65	-
3		Melbourne	\$34.58	-
4		Darwin	\$32.70	-
5		Brisbane	\$32.03	-
6		Adelaide	\$27.57	-
7		Sydney	\$25.49	+ \$0.14
8		Hobart	\$24.04	+ \$0.27
		Capital avg.	\$31.74	+ \$0.06



Regional

Average	Highest	Lowest
		
\$30.18	Bunbury	Mount Gambier
↓ - \$0.01 since Q3 2023	— Steady	— Steady

Rank				
1		Bunbury	\$35.65	-
2		Alice Springs	\$32.70	-
3		Geelong	\$32.42	-
4		Townsville	\$32.03	-
5		Wagga Wagga	\$31.32	- \$0.32
6		Launceston	\$24.04	+ \$0.27
7		Mount Gambier	\$23.09	-
		Regional avg.	\$30.18	- \$0.01



Explore the interactive data

DATA.AAA.ASN.AU →

Transport costs by category

Per week

Per household



Comprehensive car insurance




Comprehensive insurance costs rose in most cities and benchmark centres. The typical Melbourne household's premiums rose most sharply – up by \$124 a year. Geelong had the biggest benchmarked regional insurance cost rise – up by \$1.51 a week or \$78 a year.

Adelaide and Mount Gambier had the biggest fall in premiums – down by \$389 and \$338 a year respectively. But insurance costs also fell slightly in Bunbury and Launceston.

Melbourne remained the capital with the most expensive car insurance while Perth still had the lowest costs in this category. In the December quarter, the typical Perth household's annualised insurance costs were \$1,651 lower than its Melbourne counterpart's.



Capital cities




Average	Highest	Lowest
 \$42.67 — Steady since Q3 2023	 Melbourne ↑ + \$2.37	 Perth ↑ + \$0.02

Rank



1		Melbourne	\$59.30	+ \$2.37
2		Brisbane	\$50.33	+ \$0.53
3		Darwin	\$50.07	+ \$1.43
4		Sydney	\$46.56	+ \$2.06
5	↑ 	Canberra	\$38.84	+ \$1.08
6	↓ 	Adelaide	\$36.48	- \$7.48
7		Hobart	\$32.26	-
8		Perth	\$27.55	+ \$0.02
		Capital avg.	\$42.67	-



Regional

Average	Highest	Lowest
 \$34.48 ↓ - \$0.54 since Q3 2023	 Alice Springs ↑ + \$0.53	 Bunbury ↓ - \$0.64

Rank

1		Alice Springs	\$48.19	+ \$0.53
2		Townsville	\$41.50	+ \$0.44
3	↑ 	Geelong	\$37.79	+ \$1.51
4	↑ 	Wagga Wagga	\$33.60	+ \$0.91
5	↓ 	Mount Gambier	\$30.85	- \$6.50
6		Launceston	\$27.13	- \$0.02
7		Bunbury	\$22.30	- \$0.64
		Regional avg.	\$34.48	- \$0.54

Transport costs by category

Per week

Per household



Servicing and tyres

Servicing and tyres costs rose in all capitals and all benchmark regions. Canberra still has – by far – Australia’s highest costs in this category – \$46.35 per week in the December quarter.




Alice Springs had the second-highest costs in the country (\$39.70 per week). It replaced Bunbury as the regional centre with the most expensive costs in this category.










The benchmark locations with the lowest servicing and tyres costs are Launceston (\$27.62 per week), followed by Adelaide (\$29.21 per week) and Mt Gambier (\$29.32).

Canberra’s typical household paid \$17.14 more a week, or \$891 a year, for servicing and tyres than its Adelaide counterpart.






Capital cities









Average	Highest	Lowest
 \$35.57 ↑ + \$1.03 since Q3 2023	 Canberra ↑ + \$0.84	 Adelaide ↑ + \$0.82

Rank				
1		Canberra	\$46.35	+ \$0.84
2		Perth	\$36.71	+ \$1.05
3		Melbourne	\$36.57	+ \$0.99
4	↑ 	Darwin	\$36.03	+ \$1.30
5	↓ 	Sydney	\$35.81	+ \$1.03
6		Hobart	\$34.01	+ \$0.88
7		Brisbane	\$29.84	+ \$1.31
8		Adelaide	\$29.21	+ \$0.82
		Capital avg.	\$35.57	+ \$1.03



Regional

Average	Highest	Lowest
 \$33.62 ↑ + \$1.06 since Q3 2023	 Alice Springs ↑ + \$1.38	 Launceston ↑ + \$0.83

Rank				
1	↑ 	Alice Springs	\$39.70	+ \$1.38
2	↓ 	Bunbury	\$39.57	+ \$1.09
3		Geelong	\$35.06	+ \$0.98
4		Wagga Wagga	\$33.64	+ \$1.01
5		Townsville	\$30.40	+ \$1.32
6		Mount Gambier	\$29.32	+ \$0.81
7		Launceston	\$27.62	+ \$0.83
		Regional avg.	\$33.62	+ \$1.06

Transport costs by category

Per week

Per household



Fuel

In the December quarter, the average capital city households' annualised fuel expenditure fell slightly (by an annualised \$2). This was driven by lower fuel prices in the two largest cities (and Perth and Hobart). But fuel expenditure rose in the other four capitals.




The typical Canberra household's fuel costs overtook its Sydney equivalent's – \$102.01 compared to \$101.61 a week.

Fuel costs rose in all benchmarked regional centres except Mt Gambier, and average benchmarked regional centres fuel expenditure rose by \$1.09 a week, or \$56 a year.

The typical Bunbury household paid \$55.44 a week more, or \$2,882 a year, than its Wagga Wagga counterpart, but it also drove much longer distances.



Capital cities




Average	Highest	Lowest
		
\$100.25	Canberra	Perth
↓ - \$0.04 since Q3 2023	↑ + \$1.01	↓ - \$0.52

Rank

1	↑	Canberra	\$102.01	+ \$1.01
2		Brisbane	\$101.93	+ \$0.23
3	↓	Sydney	\$101.61	- \$1.27
4	↑	Darwin	\$100.85	+ \$1.50
5		Melbourne	\$100.41	- \$0.30
6	↓	Hobart	\$99.42	- \$1.98
7	↑	Adelaide	\$98.47	+ \$0.99
8	↓	Perth	\$97.27	- \$0.52
		Capital avg.	\$100.25	- \$0.04



Regional

Average	Highest	Lowest
		
\$104.55	Bunbury	Wagga Wagga
↑ + \$1.09 since Q3 2023	↑ + \$1.23	↑ + \$0.96

Rank

1		Bunbury	\$124.45	+ \$1.23
2		Geelong	\$122.98	+ \$2.00
3		Launceston	\$115.95	+ \$0.48
4	↑	Alice Springs	\$112.63	+ \$3.90
5	↓	Mount Gambier	\$108.45	- \$1.45
6		Townsville	\$78.35	+ \$0.45
7		Wagga Wagga	\$69.01	+ \$0.96
		Regional avg.	\$104.55	+ \$1.09

Transport costs by category

Per week

Per household



Public transport

Public transport costs did not change in the December quarter.






Toll roads

Only Sydney, Melbourne and Brisbane use toll roads. Toll road costs rose in Sydney and Melbourne. The typical Sydney household still had Australia's highest toll costs.















Capital cities

Average	Highest	Lowest
 \$40.72 - Steady since Q3 2023	 Brisbane - Steady	 Darwin - Steady



Capital cities

Average	Highest	Lowest
 \$68.59 ↑ + \$0.72 since Q3 2023	 Sydney ↑ + \$1.34	 Melbourne ↑ + \$0.80

Rank			
1		Brisbane	\$59.67 -
2		Melbourne	\$50.00 -
2		Sydney	\$50.00 -
4		Perth	\$45.90 -
5		Adelaide	\$42.50 -
6		Canberra	\$29.72 -
7		Hobart	\$28.00 -
8		Darwin	\$20.00 -
		Capital avg.	\$40.72 -

Rank			
1		Sydney	\$84.36 + \$1.34
2		Brisbane	\$61.20 -
3		Melbourne	\$60.20 + \$0.80
		Avg.	\$68.59 + \$0.72

Transport costs by category

Per week

Per household

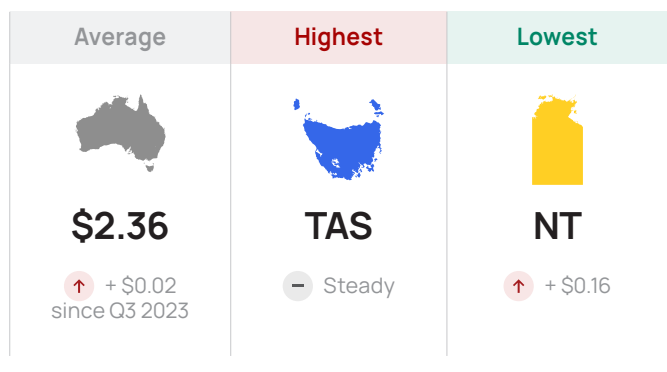











Roadside assistance

Tasmania had Australia's highest ongoing roadside assistance costs at \$2.54 a week or \$132 a year, while the Northern Territory had the lowest at \$2.12 a week or \$110 a year.

Roadside assistance costs are based on motoring clubs' basic or standard packages. But the cost differences are small, and 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.



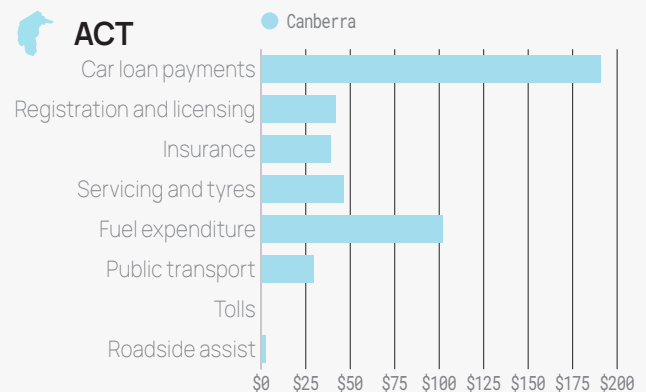
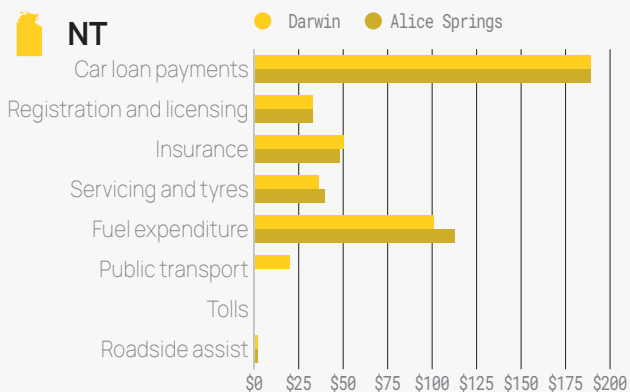
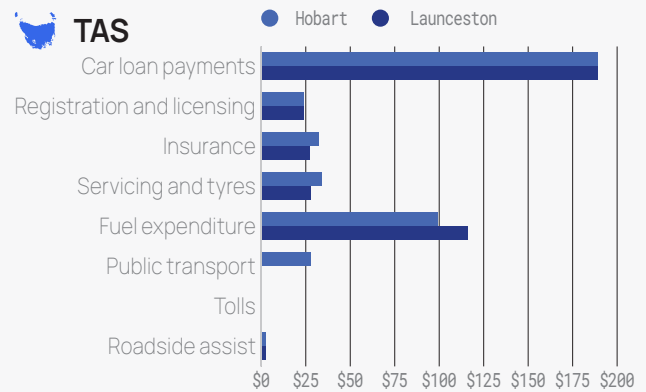
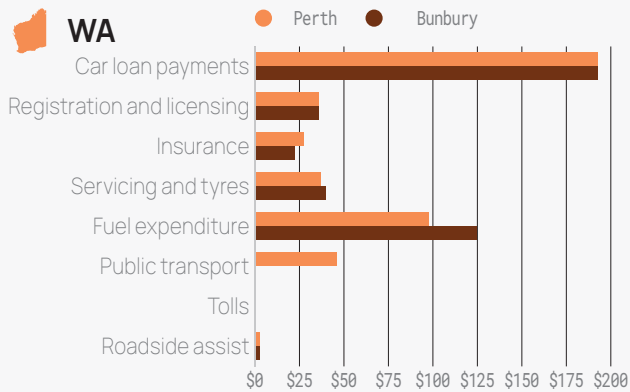
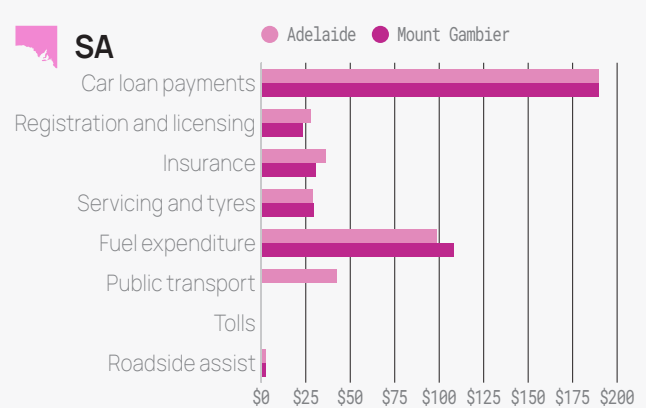
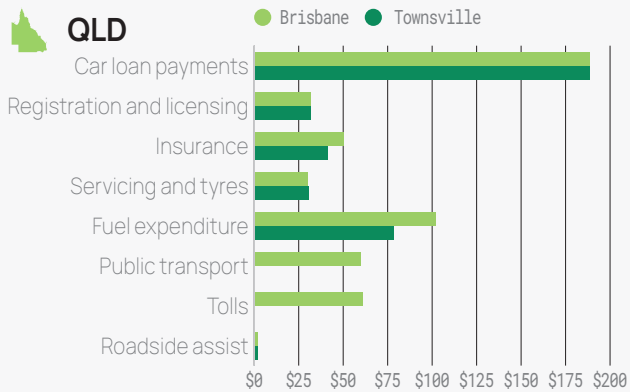
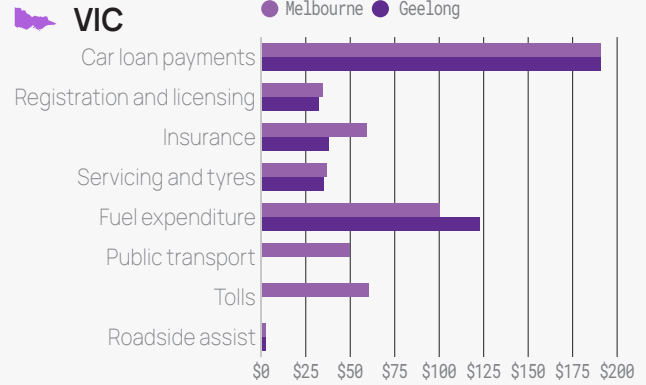
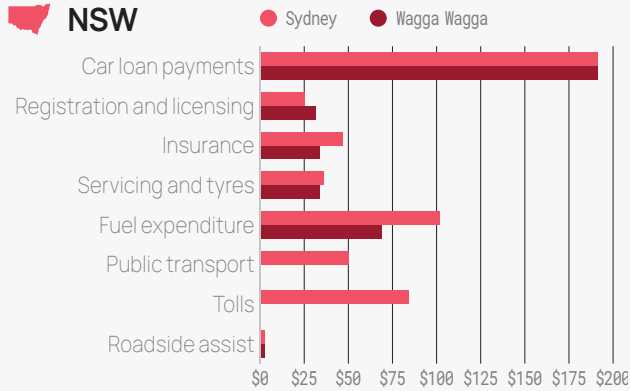
Rank			
1	 TAS	\$2.54	-
2	 NSW	\$2.48	-
2	 ACT	\$2.48	-
2	 VIC	\$2.48	-
5	 WA	\$2.29	-
5	 SA	\$2.29	-
7	 QLD	\$2.23	-
8	 NT	\$2.12	+ \$0.16
	 Avg.	\$2.36	+ \$0.02

State by state overview

Capital city vs regional centre comparison

Per week

Per household





Sydney

Sydney still has Australia's highest total transport costs. Its annualised typical household transport costs rose by \$215.

Increases included insurance (up by \$2.06 a week or \$107 a year); tolls (up by \$1.34 a week or \$70 a year); servicing and tyres (up by \$1.03 a week or \$53 a year); and car loan payments (up by 84 cents a week or \$43 a year). Fuel costs fell by \$1.27 a week (or \$66 a year).

Sydney's typical household spent 16.6 per cent of its income on transport, up from 16.5 per cent in the previous quarter. But the city's high average income meant this was less than the typical capital city household average of 17.0 per cent.

cost rank 1 / 8 highest cost	affordability rank 5 / 8 fourth-most affordable*
Total weekly transport costs \$537.41 ↑ + \$4.14 since Q3 2023	% of income 16.6% ↑ + 0.1% since Q3 2023

*by local purchasing power

Wagga Wagga

Wagga Wagga remained the benchmark regional centre with the lowest transport costs – both in terms of total costs (at \$18,780 a year) and in its local income-to-cost ratio (affordability). Its annualised transport costs increased by \$177. This was largely driven by increases in servicing and tyres costs (\$52), fuel expenditure (\$50), insurance (\$47) and car loan payments (\$43).

In the December quarter, the typical Wagga Wagga household spent 12.3 per cent of its income on transport – a smaller proportion than any other benchmark centre or capital city.

cost rank 7 / 7 lowest cost	affordability rank 7 / 7 most affordable*
Total weekly transport costs \$361.15 ↑ + \$3.40 since Q3 2023	% of income 12.3% ↑ + 0.1% since Q3 2023

*by local purchasing power

Changes in weekly transport costs

↑ Increased
<ul style="list-style-type: none">Insurance +\$2.06Tolls +\$1.34Servicing & tyres +\$1.03Car loan payments +\$0.84Rego, CTP & licensing +\$0.14
– Unchanged
<ul style="list-style-type: none">Public transportRoadside assistance
↓ Decreased
<ul style="list-style-type: none">Fuel expenditure -\$1.27

↑ Increased
<ul style="list-style-type: none">Servicing & tyres +\$1.01Fuel expenditure +\$0.96Insurance + \$0.91Car loan payments +\$0.84
– Unchanged
<ul style="list-style-type: none">Roadside assistance
↓ Decreased
<ul style="list-style-type: none">Rego, CTP & licensing -\$0.32



Melbourne

Melbourne remained Australia's second-most expensive city for transport. Its annualised typical household transport costs rose to \$27,777 – up \$274 per annum from the September quarter. This included Australia's largest quarterly increase in insurance (up by \$124), Melbourne remains the capital with the highest costs in this category.

Geelong

Geelong remained the regional centre with the second-highest costs. Its annualised household transport costs rose to \$21,911, up \$307 from the previous quarter.

This was largely driven by rises in fuel expenditure (up by \$104), comprehensive insurance (up \$78), and car loan repayments (up \$74).

cost rank 2 / 8	affordability rank 3 / 8 third-least affordable*
Total weekly transport costs \$534.17 ↑ + \$5.27 since Q3 2023	% of income 17.9% ↑ + 0.2% since Q3 2023

*by local purchasing power

cost rank 2 / 7	affordability rank 5 / 7 third-most affordable*
Total weekly transport costs \$421.36 ↑ + \$5.90 since Q3 2023	% of income 14.7% ↑ + 0.2% since Q3 2023

*by local purchasing power

Changes in weekly transport costs

↑ Increased
<ul style="list-style-type: none">Insurance +\$2.37Car loan payments +\$1.41Servicing & tyres +\$0.99Tolls +\$0.80
– Unchanged
<ul style="list-style-type: none">Rego, CTP & licensingPublic transportRoadside assistance
↓ Decreased
<ul style="list-style-type: none">Fuel expenditure -\$0.30

↑ Increased
<ul style="list-style-type: none">Fuel expenditure +\$2.00Insurance + \$1.51Car loan payments +\$1.41Servicing & tyres +\$0.98
– Unchanged
<ul style="list-style-type: none">Rego, CTP & licensingRoadside assistance



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QLD transport costs

Per household

Brisbane

The typical Brisbane household's annualised transport costs rose to \$27,354 – up by \$166 – in the December quarter. This was largely driven by increases in servicing and tyre costs (up by \$68 on an annualised basis) and car loan repayments (up \$59).

Despite the rise in car loan repayments, Brisbane displaced Hobart as the capital with the lowest costs in this category.

Brisbane still has Australia's most expensive public transport.

Townsville

In the December quarter, the typical Townsville household's annualised transport costs rose by \$174 to reach \$19,413. This was largely driven by increases in servicing & tyres (up by \$69) and car loan repayments (up \$59).

Despite the rise in car loan repayments, Townsville displaced Launceston as the regional benchmark centre with the least-expensive costs in this category.

cost rank 3 / 8	affordability rank 2 / 8 second-least affordable*
Total weekly transport costs \$526.04 ↑ + \$3.20 since Q3 2023	% of income 18.7% ↑ + 0.1% since Q3 2023

*by local purchasing power

cost rank 6 / 7	affordability rank 6 / 7 second-most affordable*
Total weekly transport costs \$373.32 ↑ + \$3.34 since Q3 2023	% of income 13.8% ↑ + 0.1% since Q3 2023

*by local purchasing power

Changes in weekly transport costs

↑ Increased
<ul style="list-style-type: none">Servicing & tyres +\$1.31Car loan payments +\$1.13Insurance +\$0.53Fuel expenditure \$0.23
– Unchanged
<ul style="list-style-type: none">TollsPublic transportRoadside assistanceRego, CTP & licensing

↑ Increased
<ul style="list-style-type: none">Servicing & tyres +\$1.32Car loan payments +\$1.31Fuel expenditure +\$0.45Insurance + \$0.44
– Unchanged
<ul style="list-style-type: none">Rego, CTP & licensingRoadside assistance



SA transport costs

Per household

Adelaide

Adelaide was the only capital city where transport costs declined in the December quarter.

Its annualised typical household transport costs fell to \$22,159 a year, down by \$234 from the previous quarter. This was driven by a decline in typical household insurance premiums, which were down by \$389 a year.

But costs rose in other categories – including car loan payments (up by \$1.17 a week or \$61 a year); fuel (up by \$0.99 a week or \$51 a year); and servicing and tyres (up by \$0.82 a week or \$43 a year).

cost rank 7 / 8	affordability rank 6 / 8 second-most affordable
Total weekly transport costs \$426.13 ↓ - \$4.50 since Q3 2023	% of income 16.0% ↓ - 0.2% since Q3 2023

*by local purchasing power

Mount Gambier

In the December quarter, Mount Gambier's annualised typical household transport costs fell to \$19,948 in the December quarter – down by \$310 from the previous quarter.

This was driven by a decline in typical household insurance premiums, which were down by \$338 a year. Fuel costs also fell, down by \$1.45 a week or \$76 a year. fuel expenditure rose in all benchmarked regional centres (except Mt Gambier) and in four of the seven capitals. But because fuel expenditure fell in the two largest cities (and Hobart) the capital city average expenditure fell.

cost rank 5 / 7	affordability rank 3 / 7 fourth-most affordable
Total weekly transport costs \$383.61 ↓ - \$5.97 since Q3 2023	% of income 16.1% ↓ - 0.3% since Q3 2023

*by local purchasing power

Changes in weekly transport costs

↑ Increased
<ul style="list-style-type: none">Car loan payments +\$1.17Fuel expenditure +\$0.99Servicing & tyres +\$0.82
– Unchanged
<ul style="list-style-type: none">Public transportRoadside assistanceRego, CTP & licensing
↓ Decreased
<ul style="list-style-type: none">Insurance -\$7.48

↑ Increased
<ul style="list-style-type: none">Car loan payments +\$1.17Servicing & tyres +\$0.81Roadside assistance +0.15
– Unchanged
<ul style="list-style-type: none">Rego, CTP & licensing
↓ Decreased
<ul style="list-style-type: none">Insurance - \$6.50Fuel expenditure -\$1.45



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WA transport costs

Per household

Perth

In the December quarter, the typical Perth household's annualised transport costs reached \$22,779, up by \$112 from the previous quarter.

This rise was mainly driven by higher servicing and tyre costs (up \$55 on an annualised basis) and car loan repayments, which rose by \$83.

Perth remained the city with Australia's most expensive car loan repayments. But in the December quarter, it replaced Adelaide as the capital with the lowest fuel expenditures.

cost rank	affordability rank
5 / 8	7 / 8
third-most affordable*	
Total weekly transport costs	% of income
\$438.06	15.1%
↑ + \$2.15 since Q3 2023	↑ + 0.1% since Q3 2023

*by local purchasing power

Bunbury

Bunbury's typical annualised household transport costs rose by \$170 to reach \$21,681. This increase was mostly driven by rises in car loan repayments (up by \$83 from the previous quarter on an annualised basis) and fuel expenditure (up by \$64).

In the December quarter, Bunbury still had the highest car loan repayments; registration, CTP and licensing; fuel expenditures; and servicing and tyres costs of any benchmark regional centre. But its comprehensive car insurance costs remained the lowest among all the Index's locations, and they fell by \$33 on an annualised basis.

cost rank	affordability rank
3 / 7	4 / 7
third-least affordable*	
Total weekly transport costs	% of income
\$416.95	15.5%
↑ + \$3.28 since Q3 2023	↑ + 0.1% since Q3 2023

*by local purchasing power

Changes in weekly transport costs

↑ Increased
<div><div>Car loan payments</div><div>+\$1.60</div></div> <div><div>Servicing & tyres</div><div>+\$1.05</div></div> <div><div>Insurance</div><div>+\$0.02</div></div>
– Unchanged
<div><div>Public transport</div><div></div></div> <div><div>Roadside assistance</div><div></div></div> <div><div>Rego, CTP & licensing</div><div></div></div>
↓ Decreased
<div><div>Fuel expenditure</div><div>-\$0.52</div></div>

↑ Increased
<div><div>Car loan payments</div><div>+\$1.60</div></div> <div><div>Fuel expenditure</div><div>+\$1.23</div></div> <div><div>Servicing & tyres</div><div>+\$1.09</div></div>
– Unchanged
<div><div>Roadside assistance</div><div></div></div> <div><div>Rego, CTP & licensing</div><div></div></div>
↓ Decreased
<div><div>Insurance</div><div>-\$0.64</div></div>



TAS transport costs

Per household

Hobart

Hobart's annualised typical household transport costs rose to \$21,289 – up \$44 from the previous quarter. This was driven by significant increases in car loan payments (up by \$88 on an annualised basis), and servicing and tyres costs (up \$46).

The city had Australia's largest quarterly rise in car loan payments. But it was also the capital with the biggest drop in fuel expenditures.

Hobart's registration, licensing and CTP costs rose more than any other capital's in the December quarter, but Tasmania still has Australia's lowest costs in this category.

cost rank 8 / 8 lowest cost	affordability rank 1 / 8 least affordable*
Total weekly transport costs \$409.41 ↑ + \$0.86 since Q3 2023	% of income 19.3% – Steady since Q3 2023

*by local purchasing power

Launceston

Launceston's annualised household transport costs rose by \$169 to reach \$20,094. This was largely driven by car loan repayments – up \$88, the biggest quarterly rise in the country. But typical Tasmanian households' loan repayments were still among the lowest in the country.

Similarly, typical Tasmanian registration, CTP & licensing costs rose by \$0.27 cents a week or \$14 a year – which was more than in any other capital or regional benchmark locations. But they remained relatively inexpensive, as only Mt Gambier had lower costs in this category.

cost rank 4 / 7	affordability rank 1 / 7 least affordable*
Total weekly transport costs \$386.42 ↑ + \$3.25 since Q3 2023	% of income 20.1% ↑ + 0.2% since Q3 2023

*by local purchasing power

Changes in weekly transport costs

↑ Increased
<ul style="list-style-type: none">Car loan payments +\$1.69Servicing & tyres +\$0.88Rego, CTP & licensing +\$0.27
– Unchanged
<ul style="list-style-type: none">InsurancePublic transportRoadside assistance
↓ Decreased
<ul style="list-style-type: none">Fuel expenditure -\$1.98

↑ Increased
<ul style="list-style-type: none">Car loan payments +\$1.69Servicing & tyres +\$0.83Fuel expenditure +\$0.48Rego, CTP & licensing +\$0.27
– Unchanged
<ul style="list-style-type: none">Roadside assistance
↓ Decreased
<ul style="list-style-type: none">Insurance - \$0.02



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NT transport costs

Per household

Darwin

Darwin was the capital with the largest absolute and relative increase in transport costs in the December quarter. Yet it remained the capital with the third-lowest and the fourth-least affordable transport costs.

In the December quarter, Darwin's annualised typical household transport costs rose by \$310 to reach \$22,417 a year.

This was driven by significant increases in car loan repayments (up \$81), fuel expenditure (up \$78), and comprehensive insurance (up \$75). It had the largest increase in fuel expenditures and total transportation costs (both absolute and relative) but the smallest rise in servicing costs.

cost rank 6 / 8		affordability rank 4 / 8 fourth-least affordable*	
Total weekly transport costs \$431.09		% of income 17.4%	
↑ + \$5.95 since Q3 2023		↑ + 0.2% since Q3 2023	

*by local purchasing power

Alice Springs

Alice Springs' typical household transport costs rose to \$22,082 a year, up \$391 from the previous quarter. This was the biggest December quarter transport cost increase among all the benchmark locations.

This was driven mainly by increases in fuel expenditure (up \$203 on an annualised basis), car loan repayments (up \$81), and servicing & tyres (up \$71).

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

cost rank 1 / 7 highest cost		affordability rank 2 / 7 second-least affordable*	
Total weekly transport costs \$424.66		% of income 18.2%	
↑ + \$7.53 since Q3 2023		↑ + 0.3% since Q3 2023	

*by local purchasing power

Changes in weekly transport costs

↑ Increased
<div><div>Car loan payments +\$1.56</div><div>Fuel expenditure +\$1.50</div><div>Insurance +\$1.43</div><div>Servicing & tyres +\$1.30</div><div>Roadside assistance +\$0.16</div></div>
– Unchanged
<div><div>Public transport</div><div>Rego, CTP & licensing</div></div>

↑ Increased
<div><div>Fuel expenditure +\$3.90</div><div>Car loan payments +\$1.56</div><div>Servicing & tyres +\$1.38</div><div>Insurance + \$0.53</div><div>Roadside assistance +0.16</div></div>
– Unchanged
<div><div>Rego, CTP & licensing</div></div>



ACT transport costs

Per household

Canberra

In the December quarter, the typical Canberra household's annualised transport costs rose by \$231 to reach \$23,493. The two biggest drivers of this increase were higher car loan repayments (up \$79 on an annualised basis) and insurance premiums (up \$56). In addition, annualised fuel expenditure rose by \$53.

Canberra remained the location with the country's most expensive registration, CTP, licensing, and servicing and tyre costs. Canberra replaced Sydney as the location with the highest fuel expenditure.

It remained both the capital with the fourth-highest total transport costs and 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
\$451.79	14.8%
↑ + \$4.44 since Q3 2023	↑ + 0.1% since Q3 2023

*by local purchasing power

Changes in weekly transport costs

↑ Increased
<div><div>Car loan payments</div><div>+\$1.51</div></div>
<div><div>Insurance</div><div>+\$1.08</div></div>
<div><div>Fuel expenditure</div><div>+\$1.01</div></div>
<div><div>Servicing & tyres</div><div>+\$0.84</div></div>
– Unchanged
<div><div>Public transport</div><div></div></div>
<div><div>Roadside assistance</div><div></div></div>
<div><div>Rego, CTP & licensing</div><div></div></div>

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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