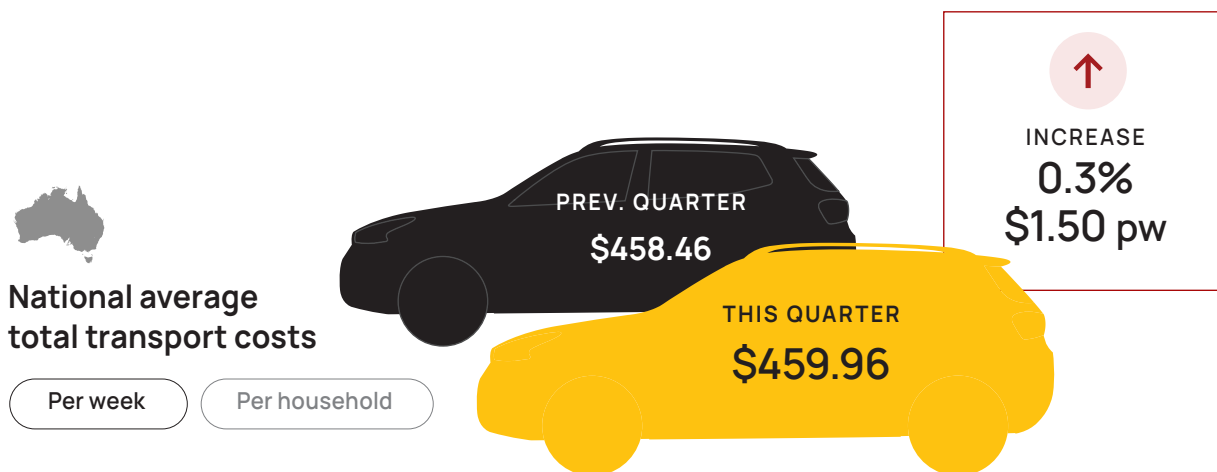


Transport Affordability Index June Quarter 2026



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Higher transport costs hit regions hardest



In the June quarter of 2026, typical household transport costs rose in 12 of the Transport Affordability Index's 15 benchmark locations, largely driven by higher fuel prices.

Lower total costs in Melbourne, Brisbane and Canberra meant the average capital city costs-to-income ratio fell from 15.6% in Q1 to 15.5% in Q2. But the average regional benchmark centre costs-to-income ratio rose from 15.4% to 15.7%.

Typically, regional households spend a lower proportion of their income on transport than their capital city counterparts. Throughout 2022 and 2023, typical regional transport costs were 0.9 to 1.3 percentage points lower than typical capital city transport costs.

But for the first time since Q2 2017, when the Transport Affordability Index began tracking regional locations, Q2 2026 saw the nationally averaged regional benchmark location costs-to-income ratio exceed the nationally averaged capital city ratio.

This was largely because state and territory public transport subsidies suppressed capital city transport costs and average capital city fuel expenditure fell but regional fuel expenditure rose significantly.

Recent stabilisation of transport costs has relied largely on government subsidies and fuel excise relief (which ended on 2 August). This stabilisation follows several years of rising costs and declining affordability.

Transport costs as % of income	Q2 2023	Q2 2024	Q2 2025	Q2 2026
Capital average	16.4%	17.4%	15.8%	15.5%
Regional average	15.2%	16.5%	15.5%	15.7%
National average	15.9%	17.0%	15.7%	15.6%

In Q3 2022, the typical Australian household spent 14.9% of its income on transport. This peaked at 17% in the June quarter of 2024 and settled at 16.1% in 2024's September and December quarters.

Transport affordability is now roughly back to where it was in the first quarter of 2023. (Transport costs' share of typical Australian household income was 15.8% in Q1 2023).

Transport costs remain significantly higher than they were before the pandemic. In Q4 2019, the typical Australian household spent 13.9% of its income on transport.

Transport is a significant and unavoidable expense, and transport expenditure is also 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

June Quarter 2026

Total transport costs

Per week

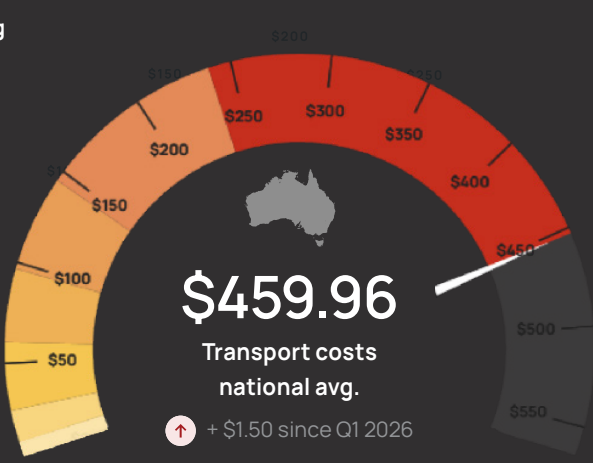
Per household

Registration, CTP & licensing
\$34.01 (7.4%)

Servicing & tyres
\$35.28 (7.7%)

Insurance
\$51.79 (11.3%)

Roadside assist
\$2.50 (0.5%)



Public transport
\$11.84 (2.6%)

Tolls
\$7.51 (1.6%)

Fuel
\$101.26 (22.0%)

Car loan payments
\$215.76 (46.9%)

Capital cities

Regional

Total costs

AVERAGE	HIGHEST	LOWEST
 \$479.45 ↓ - \$2.79 since Q1 2026	 Sydney ↑ + \$2.39	 Hobart ↑ + \$6.81

Total costs

AVERAGE	HIGHEST	LOWEST
 \$437.68 ↑ + \$6.39 since Q1 2026	 Bunbury ↑ + \$7.49	 Townsville ↑ + \$5.42

Affordability (% of income)

 15.5% ↓ - 0.1% since Q1 2026	 Hobart ↑ + 0.3%	 Canberra ↓ - 0.5%
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Affordability (% of income)

 15.7% ↑ + 0.3% since Q1 2026	 Launceston ↑ + 0.1%	 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



\$24,932

↓ - \$144 since Q1 2026

In Q2, total transport costs rose in all capitals except Melbourne, Brisbane and Canberra. The average typical capital city household's annualised cost of transport fell by \$144 to \$24,932, up 0.6% decrease.

Costs rose in five of eight categories. The largest national average capital city increases were for car loan repayments (up \$108 annually) and servicing costs (up \$30).

Fuel prices rose in four capitals but big price drops in Sydney, Melbourne, Brisbane and Canberra saw average capital city fuel expenditure fall by \$24.

Average capital city comprehensive insurance costs declined by \$33, and averaged annualised public transport costs fell by \$296 after the ACT and Victorian Governments introduced public transport incentives to reduce cost-of-living.

1	2	3	4
Sydney	Melbourne	Canberra	Perth
\$29,932	\$27,123	\$24,624	\$24,563
↑ + \$124 since Q1 2026	↓ - \$1,428 since Q1 2026	↓ - \$820 since Q1 2026	↑ + \$167 since Q1 2026
5	6	7	8
Adelaide	Brisbane	Darwin	Hobart
\$24,365	\$23,853	\$23,152	\$21,839
↑ + \$258 since Q1 2026	↓ - \$129 since Q1 2026	↑ + \$315 since Q1 2026	↑ + \$354 since Q1 2026

Average taxes



Fuel excise

\$692

↓ - \$691 since Q1 2026

+



Registration, CTP and licensing

\$1,832

↑ + \$4 since Q1 2026

=

Household total

\$2,524

↓ - \$687 since Q1 2026

Total transport costs

Per year

Per household

VIEW COSTS PER WEEK (PAGE 7) →

Regional

Regional average



\$22,759

+ \$332 since Q1 2026

The average benchmark regional household's annualised transport cost rose \$332 from the previous quarter – up 1.5% – to \$22,759. Typical total costs rose in all regional benchmark locations. Annualised total increases ranged from \$109 in Launceston to \$613 in Alice Springs.

The Index tracks six categories for regional expenses (public transport and tolls only apply

in capital cities). Costs rose in four of those six categories.

Unlike the average capital city, the average regional benchmark location had no fuel cost relief – instead annualised costs rose by \$206. Car loan repayments rose by \$109 annually, servicing costs by \$31, and registration and licensing by \$2.

1	2	3	4
 Bunbury \$24,568 + \$390 since Q1 2026	 Alice Springs \$23,836 + \$613 since Q1 2026	 Geelong \$23,799 + \$258 since Q1 2026	 Mount Gambier \$22,236 + \$420 since Q1 2026
5	6	7	
 Launceston \$21,896 + \$109 since Q1 2026	 Wagga Wagga \$21,717 + \$255 since Q1 2026	 Townsville \$21,262 + \$282 since Q1 2026	 Explore the interactive data DATA.AAA.ASN.AU

Average taxes



Fuel Excise

\$725

- \$726 since Q1 2026

since Q1 2026

+



Registration, CTP and licensing

\$1,696

+ \$2 since Q1 2026

=

Household total

\$2,421

- \$724 since Q1 2026

Total transport costs

Per week

Per household

 Capital cities

Capital average		In the June quarter, Sydney and Hobart remained the capitals with the highest and lowest respective transport costs. The typical Sydney household spent \$155.63 more on transport each week than its Hobart counterpart. Melbourne remained the second-most expensive capital.			
 \$479.45 ↓ - \$2.79 since Q1 2026		1	2	3	4
 Sydney \$575.62 ↑ + \$2.39 since Q1 2026		 Melbourne \$521.60 ↓ - \$27.46 since Q1 2026		 Canberra \$473.54 ↓ - \$15.77 since Q1 2026	 Perth \$472.37 ↑ + \$3.22 since Q1 2026
5	6	7	8		
 Adelaide \$468.56 ↑ + \$4.96 since Q1 2026	 Brisbane \$458.71 ↓ - \$2.48 since Q1 2026	 Darwin \$445.24 ↑ + \$6.07 since Q1 2026	 Hobart \$419.99 ↑ + \$6.81 since Q1 2026		

Total transport costs

Per week

Per household

Regional

Regional average



\$437.68

 + \$6.39 since Q1 2026

Nationally averaged Q2 benchmark regional centre typical household costs were \$92.06 per week lower than nationally averaged typical capital city household costs.

Bunbury remained the benchmark regional centre with the highest weekly transport costs and Townsville the one with the lowest.

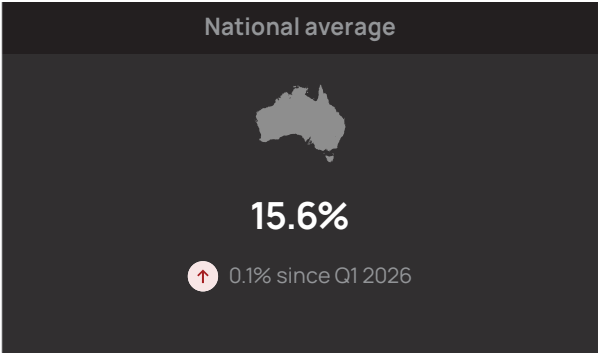
In the June quarter, Bunbury's typical household spent \$63.57 a week more on transport than its Townsville counterpart.

1	2	3	4
 Bunbury \$472.46  + \$7.49 since Q1 2026	 Alice Springs \$458.39  + \$11.80 since Q1 2026	 Geelong \$457.68  + \$4.96 since Q1 2026	 Mount Gambier \$427.61  + \$8.07 since Q1 2026
5	6	7	
 Launceston \$421.07  + \$2.09 since Q1 2026	 Wagga Wagga \$417.63  + \$4.89 since Q1 2026	 Townsville \$408.89  + \$5.42 since Q1 2026	 Explore the interactive data DATA.AAA.ASN.AU

Transport affordability

Costs as a percentage of income

- Per week
- Per household



A location's costs-to-income ratio determines its local purchasing power – or affordability.

The typical Canberra household's transport costs are higher than its Hobart counterpart's. But income disparities meant that in the June quarter Canberra was the most affordable capital (14.0% of typical household income spent on transport) and Hobart the least affordable (17.7% of income spent on transport).

In Q2, the national average across all benchmark locations rose from 15.5% to 15.6%. The average across all capital cities fell from 15.6% to 15.5%.



Capital cities

Average	Highest	Lowest
 15.5% ↓ - 0.1% since Q1 2026	 Hobart ↑ + 0.3% since Q1 2026	 Canberra ↓ - 0.5% since Q1 2026

Rank

		Sept Qtr 2025	Dec Qtr 2025	March Qtr 2026	June Qtr 2026
1	 Hobart	18.1%	18.0%	17.4%	17.7%
2	 Darwin	15.5%	15.6%	16.8%	16.1%
3	 Melbourne	16.5%	16.6%	16.9%	16.0%
4	 Sydney	15.4%	15.5%	15.3%	15.4%
5	 Adelaide	15.2%	15.2%	15.1%	15.3%
6	 Perth	15.9%	15.8%	14.9%	15.0%
7	 Brisbane	14.7%	14.7%	15.0%	15.0%
8	 Canberra	15.1%	15.1%	14.5%	14.0%
	 Capital avg.	15.8%	15.8%	15.6%	15.7%

Transport affordability

Costs as a percentage of income

Per week

Per household

In the June quarter, regional transport costs consumed 15.7% of the typical regional household's income, an increase from 15.4% in the March quarter.

Typically, the regional centres average cost-to-income ratio is less than the capital city average. But in Q2, for the first time in the index's history, the nationally averaged regional benchmark location cost-to-income ratio was higher than the nationally averaged capital city ratio.

Regional

Average	Highest	Lowest
 15.7%  + 0.3% since Q1 2026	 Launceston  + 0.1% since Q1 2026	 Wagga Wagga  + 0.1% since Q1 2026

Rank		Sept Qtr 2025	Dec Qtr 2025	March Qtr 2026	June Qtr 2026
1	 Launceston	19.4%	19.5%	19.4%	19.5%
2	 Alice Springs	17.0%	16.9%	17.1%	17.6%
3	 Bunbury	16.5%	16.5%	15.9%	16.1%
4	 Mount Gambier	15.3%	15.3%	15.3%	15.6%
5	 Geelong	14.2%	14.2%	14.5%	14.6%
6	 Townsville	13.4%	13.3%	13.7%	13.9%
7	 Wagga Wagga	11.8%	12.2%	12.1%	12.2%
	 Regional avg.	15.4%	15.4%	15.4%	15.7%

Transport costs by category

Per week

Per household

In the June quarter, nationally averaged typical household transport costs rose across Australia.

- **Fuel expenditure:** Annualised national average household fuel expenditure increased by \$83. But large drops in Sydney, Melbourne, Brisbane and Canberra fuel expenditure meant that average capital city fuel expenditure fell.
- **Car loan payments:** Car loan payments rose in all benchmark locations. Average national average household car loan repayments increased by \$109 annually.
- **Public transport:** The ACT Government reduced the monthly fare cap from 40 fares to 20 for Q2. This saves a Canberran paying for two fares daily \$68 per month. Similarly, Melbourne's fare costs fell 50%. The effect on average capital city public transport costs was an annualised drop of \$296.
- **Comprehensive Insurance:** Comprehensive insurance fell in seven benchmark locations and rose in eight. The overall change was a \$10 annual increase.



Capital cities

1	2	3	4
 Car loan payments \$215.78 ↑ + \$2.07 since Q1 2026	 Fuel \$97.66 ↓ - \$0.47 since Q1 2026	 Insurance \$55.78 ↑ + \$0.62 since Q1 2026	 Tolls \$37.55 ↑ + \$0.08 since Q1 2026
5	6	7	8
 Servicing & Tyres \$36.22 ↑ + \$0.57 since Q1 2026	 Registration, CTP & licensing \$35.23 ↑ + \$0.08 since Q1 2026	 Public transport \$22.19 ↓ - \$5.70 since Q1 2026	 Roadside assist \$2.51 — Steady since Q1 2026

Transport costs by category

Per week

Per household

Ranking of typical city and regional households' expenses in the tracked categories remained unchanged from the March quarter. Car loan payments remained the largest transport expense and roadside assistance the smallest.

The Index assumes a regional household does not rely on public transport for commuting. It also assumes that regional and metropolitan households drive similar cars, so it applies the same fuel efficiency and fuel mix calculations across all benchmark locations.



Regional

1	2	3
 Car loan payments \$215.73 ↑ + \$2.10 since Q1 2026	 Fuel \$105.38 ↑ + \$3.96 since Q1 2026	 Insurance \$47.24 ↓ - \$0.32 since Q1 2026
4	5	6
 Servicing & Tyres \$34.22 ↑ + \$0.60 since Q1 2026	 Registration, CTP & licensing \$32.62 ↑ + \$0.04 since Q1 2026	 Roadside assist \$2.49 — Steady since Q1 2026



Explore the interactive data

DATA.AAA.ASN.AU →

Transport costs by category

Per week

Per household



Car loan payments

Typical Australian car loan payments rose by \$2.09 a week (or \$109 a year, annualised) in the June quarter following a small increase in new car prices.

The Index tracks the drive-away costs for top-selling vehicles and assumes people in any state's capital and its regional centres face the same interest rates and new car purchase costs.

But the capital city average was slightly higher than the national and regional averages because Canberra has no paired regional benchmark location.



Capital cities

Average	Highest	Lowest
 \$215.78 ↑ + \$2.07 since Q1 2026	 Perth ↑ + \$1.26	 Brisbane ↑ + \$2.36

Rank			
1		Perth	\$218.51 + \$1.26
2		Sydney	\$216.98 + \$2.02
3		Canberra	\$216.16 + \$1.90
4		Melbourne	\$215.58 + \$1.85
5	↑ 	Adelaide	\$215.47 + \$2.67
6	↓ 	Hobart	\$215.12 + \$2.22
7		Darwin	\$214.46 + \$2.33
8		Brisbane	\$213.97 + \$2.36
		Capital avg.	\$215.78 + \$2.07



Regional

Average	Highest	Lowest
 \$215.73 ↑ + \$2.10 since Q1 2026	 Bunbury ↑ + \$1.26	 Townsville ↑ + \$2.36

Rank			
1		Bunbury	\$218.51 + \$1.26
2		Wagga Wagga	\$216.98 + \$2.02
3		Geelong	\$215.58 + \$1.85
4	↑ 	Mount Gambier	\$215.47 + \$2.67
5	↓ 	Launceston	\$215.12 + \$2.22
6		Alice Springs	\$214.46 + \$2.33
7		Townsville	\$213.97 + \$2.36
		Regional avg.	\$215.73 + \$2.10

Transport costs by category

Per week

Per household



Vehicle registration, CTP and driver's licence

In the June quarter, registration, CTP and licence costs rose in NSW and Canberra and remained steady in all other locations. Sydney's costs in this category rose \$24 annually, and Canberra's by \$12.

The increase in NSW was driven by a rise in CTP prices. Registration and licensing prices remained steady for the quarter.



Capital cities

Average	Highest	Lowest
 \$35.23 ↑ + \$0.08 since Q1 2026	 Sydney ↑ + \$0.46	 Hobart – Steady



Regional

Average	Highest	Lowest
 \$32.62 ↑ + \$0.04 since Q1 2026	 Wagga Wagga ↑ + \$0.33	 Mount Gambier – Steady

Rank

1		Sydney	\$45.41	+ \$0.46
2		Canberra	\$40.75	+ \$0.23
3		Perth	\$38.40	-
4		Melbourne	\$36.70	-
5		Brisbane	\$33.91	-
6		Darwin	\$33.14	-
7		Adelaide	\$28.15	-
8		Hobart	\$25.39	-
		Capital avg.	\$35.23	+ \$0.08

Rank

1		Wagga Wagga	\$38.80	+ \$0.33
2		Bunbury	\$38.40	-
3		Geelong	\$34.42	-
4		Townsville	\$33.91	-
5		Alice Springs	\$33.14	-
6		Launceston	\$25.39	-
7		Mount Gambier	\$24.31	-
		Regional avg.	\$32.62	+ \$0.04

Transport costs by category

Per week

Per household



Comprehensive car insurance

Annualised comprehensive car insurance costs rose by \$32 for the average benchmark capital city household and fell by \$17 for the average benchmark regional centre household. Insurance costs fell in seven of the 15 benchmark locations. The largest decreases were Launceston (down an annualised \$103), Brisbane (down \$74) and Mount Gambier (down \$32).

The biggest rises in comprehensive insurance costs were in Darwin (up an annualised \$88), Hobart (up \$75) and Adelaide (up \$67).

Melbourne and Wagga Wagga remain the most expensive capital and regional benchmark locations respectively for comprehensive insurance.



Capital cities

Average	Highest	Lowest
 \$55.78 ↑ +\$0.62 since Q1 2026	 Melbourne ↑ +\$1.18	 Hobart ↑ +\$1.45



Regional

Average	Highest	Lowest
 \$47.24 ↓ -\$0.32 since Q1 2026	 Wagga Wagga ↑ +\$0.44	 Launceston ↓ -\$1.99

Rank

1		Melbourne	\$76.36	+\$1.18
2		Sydney	\$66.82	+\$1.05
3		Darwin	\$57.92	+\$1.68
4		Adelaide	\$53.02	+\$1.29
5	↑ 	Canberra	\$50.57	-\$0.50
6	↓ 	Brisbane	\$49.86	-\$1.42
7		Perth	\$46.59	+\$0.25
8		Hobart	\$45.12	+\$1.45
		Capital avg.	\$55.78	+\$0.62

Rank

1		Wagga Wagga	\$56.30	+\$0.44
2		Alice Springs	\$51.68	-\$0.03
3		Townsville	\$47.44	-\$0.20
4		Geelong	\$47.41	-\$0.18
5	↑ 	Bunbury	\$45.42	+\$0.34
6	↓ 	Mount Gambier	\$44.65	-\$0.62
7		Launceston	\$37.75	-\$1.99
		Regional avg.	\$47.24	-\$0.32

Transport costs by category

Per week

Per household



Servicing and tyres

Servicing and tyre costs rose in all benchmark locations, with an average capital city annualised increase of \$29 and an average regional benchmark rise of \$31.

Canberra remains the capital with the highest servicing and tyres costs and Adelaide the one with the lowest. In the June quarter, a typical Canberra household paid \$17.21 a week (or \$895 annualised) more for servicing and tyres than its Adelaide counterpart.

Bunbury and Launceston remained the benchmark regional centres with the highest and lowest costs, respectively, in this category. The typical Bunbury household paid \$14.92 a week (or \$776 annualised) more for servicing and tyres than its Launceston counterpart.



Capital cities

Average	Highest	Lowest
 \$36.22 ↑ + \$0.57 since Q1 2026	 Canberra ↑ + \$0.33	 Adelaide ↑ + \$0.80



Regional

Average	Highest	Lowest
 \$34.22 ↑ + \$0.60 since Q1 2026	 Bunbury ↑ + \$0.84	 Launceston ↑ + \$0.37

Rank

1		Canberra	\$47.06	+ \$0.33
2		Perth	\$38.75	+ \$0.77
3		Melbourne	\$37.58	+ \$0.73
4		Sydney	\$36.65	+ \$0.47
5		Darwin	\$35.61	+ \$0.68
6		Hobart	\$34.15	+ \$0.47
7		Brisbane	\$30.08	+ \$0.26
8		Adelaide	\$29.85	+ \$0.80
		Capital avg.	\$36.22	+ \$0.57

Rank

1		Bunbury	\$42.05	+ \$0.84
2		Alice Springs	\$39.55	+ \$0.77
3		Geelong	\$35.88	+ \$0.70
4		Wagga Wagga	\$34.22	+ \$0.44
5		Townsville	\$30.71	+ \$0.27
6		Mount Gambier	\$29.98	+ \$0.80
7		Launceston	\$27.13	+ \$0.37
		Regional avg.	\$34.22	+ \$0.60

Transport costs by category

Per week

Per household



Fuel

The Federal Government cut fuel excise by 50% from 1 April to 30 June. On 1 July, the relief was reduced to a 16c discount. It ended entirely on 2 August.

Yet Q2 fuel expenditure rose in all seven regional benchmark locations. Annualised increases ranged from \$77 in Launceston to \$454 in Alice Springs. The nationally averaged regional household's expenditure rose by \$206.

Fuel expenditure also rose in four of the eight capital city locations. But drops in Sydney (\$83), Melbourne (\$154), Brisbane (\$191) and Canberra (\$35) meant the nationally averaged typical capital city household's annualised fuel expenditure fell by \$25.



Capital cities

Average	Highest	Lowest
		
\$97.66	Darwin	Adelaide
↓ - \$0.47 since Q1 2026	↑ + \$1.38	↑ + \$0.20

Rank

1	↑		Darwin	\$101.55	+ \$1.38
2	↑		Canberra	\$99.32	- \$0.68
3	↓		Brisbane	\$97.79	- \$3.68
4	↓		Melbourne	\$97.59	- \$2.96
5	↑		Hobart	\$97.50	+ \$2.67
6	↓		Sydney	\$97.13	- \$1.61
7	↓		Perth	\$96.24	+ \$0.94
8			Adelaide	\$94.15	+ \$0.20
			Capital avg.	\$97.66	- \$0.47



Regional

Average	Highest	Lowest
		
\$105.38	Bunbury	Wagga Wagga
↑ + \$3.96 since Q1 2026	↑ + \$5.05	↑ + \$1.66

Rank

1		Bunbury	\$125.70	+ \$5.05
2		Geelong	\$121.74	+ \$2.59
3	↑ 	Alice Springs	\$117.00	+ \$8.73
4	↓ 	Launceston	\$112.97	+ \$1.49
5		Mount Gambier	\$110.78	+ \$5.22
6		Townsville	\$80.76	+ \$2.99
7		Wagga Wagga	\$68.70	+ \$1.66
		Regional avg.	\$105.38	+ \$3.96

Transport costs by category

Per week

Per household



Public transport

In the June quarter, the typical capital city household's annualised public transport expenditure fell by \$111.

This was driven by fare relief in Canberra and Melbourne. In Canberra, a temporary fare cap was introduced for April, May and June. Public transport users were required to pay for no more than 20 fares per month, with anything over that free. In Melbourne, a fare reduction of 50% was introduced on 1 June.

Hobart and Darwin also had free public transport in the June quarter. In Q2, Adelaide was the only capital not offering a public transport discount.



Toll roads

Only Sydney, Melbourne, and Brisbane use toll roads. Melbourne's scheduled quarterly indexation increased its typical household's annualised toll costs. Sydney's toll cap meant its quarterly price rises did not affect the typical household.

Sydney remained Australia's most expensive city for road tolls. The typical Sydney household's annualised Q2 toll road costs were \$1,768 more its Brisbane counterpart's.



Capital cities

Average	Highest	Lowest
\$22.19	Sydney	Darwin
↓ - \$5.70 since Q1 2026	— Steady	— Steady



Capital cities

Average	Highest	Lowest
\$37.55	Sydney	Brisbane
↑ + \$0.08 since Q1 2026	— Steady	— Steady

Rank

1	↑		Sydney	\$50.00	-
2	↑		Adelaide	\$45.50	-
3	↑		Perth	\$31.50	-
4	↓		Melbourne	\$28.50	- \$28.50
5	↓		Canberra	\$17.05	- \$17.05
6			Brisbane	\$5.00	-
7			Hobart	-	-
8			Darwin	-	-
			Capital avg.	\$25.76	- \$2.13

Rank

1		Sydney	\$60.00	-
2		Melbourne	\$26.64	+ \$0.24
3		Brisbane	\$26.00	-
		Avg.	\$37.55	+ \$0.08

Transport costs by category

Per week

Per household

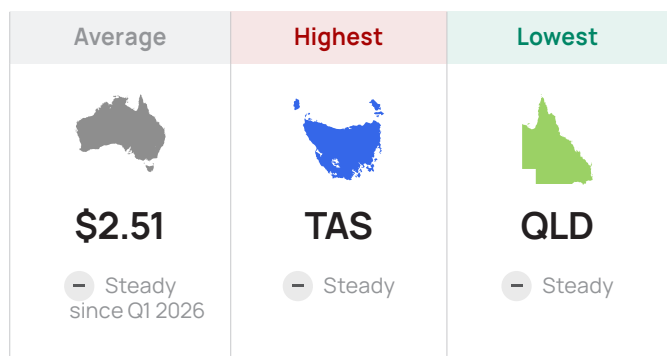


Roadside assistance

Roadside assistance costs remained steady in all jurisdictions. These charges are usually adjusted at the beginning of the financial year.

The Index's roadside assistance costs are based on motoring clubs' basic or standard packages but the services included in these packages vary. Every state has identical capital city and regional roadside assistance pricing.

Roadside assistance has consistently remained the smallest portion (0.6% national average in the June quarter) of overall transport costs. In Q2, it cost the typical Australian household \$2.50 per week.



Rank

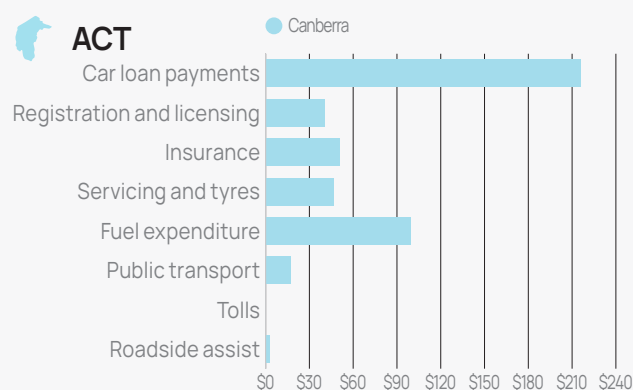
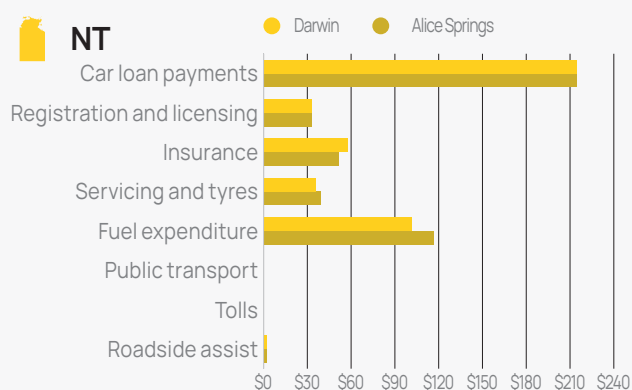
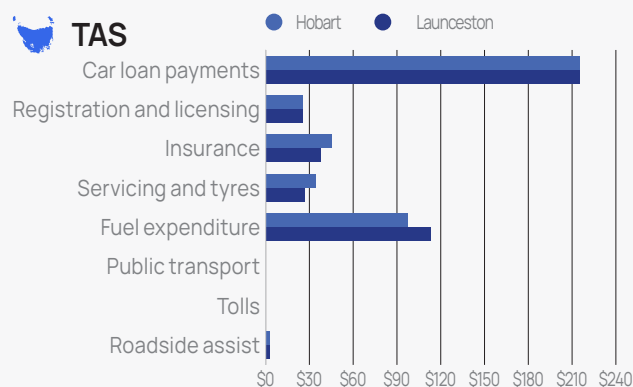
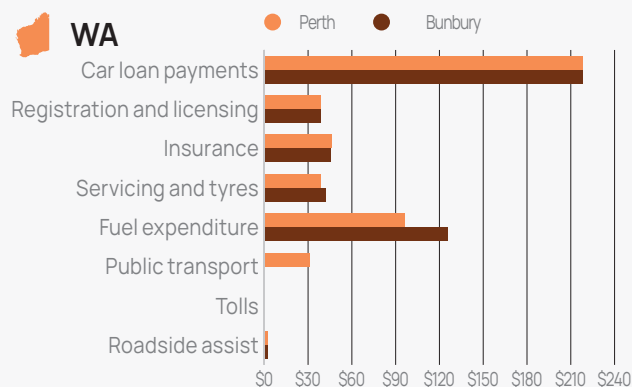
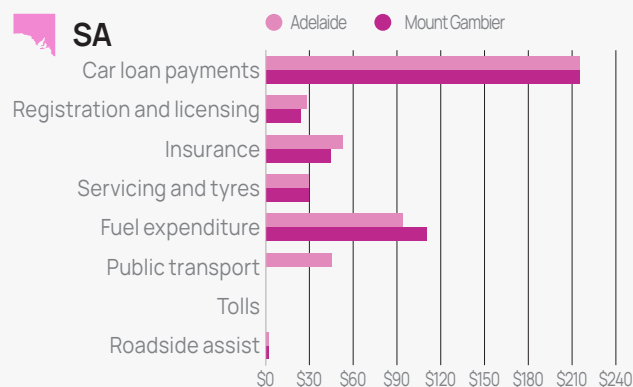
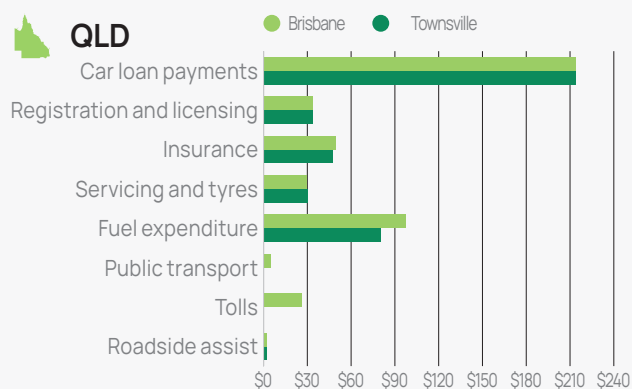
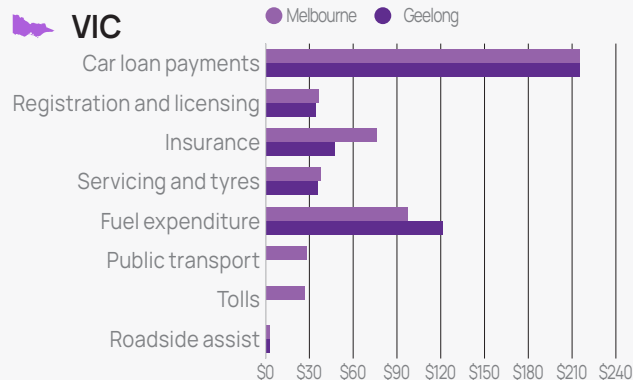
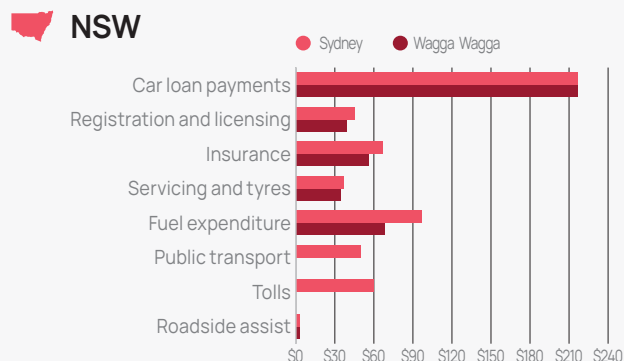
1	 TAS	\$2.71	-
2	 VIC	\$2.65	-
3	 ACT	\$2.63	-
3	 NSW	\$2.63	-
5	 NT	\$2.56	-
6	 SA	\$2.42	-
7	 WA	\$2.38	-
8	 QLD	\$2.10	-
	 Avg.	\$2.51	-

State by state overview

Capital city vs regional centre comparison

Per week

Per household





NSW transport costs

Per household

Sydney

Sydney remained the benchmark location with Australia's highest transport expenditure. Its annualised typical household transport cost was \$29,932 – up \$124. This was largely driven by higher car loan repayments. Sydney costs are 4.6% (\$1,327) higher than those of its counterpart in Melbourne, the second-most expensive capital.

Despite high costs, Sydney's high incomes mean its costs-to-income ratio is lower than the national average – 15.4% compared to 15.7%. This was up from 15.3% in Q1.

Wagga Wagga

In Q2, Wagga Wagga's annualised typical household transport costs reached \$21,717, up \$255. This was driven by higher car loan repayments (up \$105 annualised), higher fuel expenditure (up \$86) and small increases in insurance, servicing and registration costs.

This household's transport expenditure rose from 12.1% to 12.2% of its income. Wagga Wagga remained the most affordable benchmark location.

cost rank 1 / 8 Most expensive	affordability rank 4 / 8 Fourth-least affordable*
Total weekly transport costs \$575.62 ↑ + \$2.39 since Q1 2026	% of income 15.4% ↑ + 0.1% since Q1 2026

*by local purchasing power

cost rank 6 / 7 Second-least expensive	affordability rank 7 / 7 Most affordable*
Total weekly transport costs \$417.63 ↑ + \$4.89 since Q1 2026	% of income 12.2% ↑ + 0.1% since Q1 2026

*by local purchasing power

Changes in weekly transport costs

↑ Increased
- Car loan payments +\$2.02 - Insurance +\$1.05 - Servicing & tyres +\$0.47 - Rego, CTP & licensing +\$0.46
– Unchanged
- Roadside assistance - Public transport - Tolls
↓ Decreased
Fuel expenditure -\$1.61

↑ Increased
- Car loan payments +\$2.02 - Fuel expenditure +\$1.66 - Insurance +\$0.44 - Servicing & tyres +\$0.44 - Rego, CTP & licensing +\$0.33
– Unchanged
Roadside assistance
↓ Decreased



Melbourne

Melbourne was again the benchmark location with Australia's second-highest transport costs. Its annualised typical household transport costs fell by \$1,428 to \$27,123 – the largest decrease among any of the benchmark locations.

A 50% cut to public transport fares drove the large decrease in transport costs. Other cost rises included car loan repayments (up \$96), insurance (up \$62), tolls (up \$38) and servicing and tyres (up \$12).

cost rank	affordability rank
2 / 8	3 / 8
Second-most expensive	Third-least affordable*
Total weekly transport costs	% of income
\$521.60	16.0%
↓ - \$27.46 since Q1 2026	↓ - 0.9% since Q1 2026

*by local purchasing power

Geelong

Geelong's annualised typical household transport costs rose by \$258 from the March quarter, reaching \$23,799.

This was largely driven by higher fuel expenditure (up \$134 annually) and higher comprehensive insurance costs (up \$96).

Geelong is the regional benchmark location with the third-highest transport costs.

cost rank	affordability rank
3 / 7	5 / 7
Third-most expensive	Third-most affordable*
Total weekly transport costs	% of income
\$457.68	14.6%
↑ + \$4.96 since Q1 2026	↑ + 0.1% since Q1 2026

*by local purchasing power

Changes in weekly transport costs

↑ Increased
Car loan payments +\$1.85
Insurance +\$1.18
Servicing & tyres +\$0.73
Tolls +\$0.24
– Unchanged
Rego, CTP & licensing
Roadside assistance
↓ Decreased
Public transport -\$28.50
Fuel expenditure -\$2.96

↑ Increased
Fuel expenditure +\$2.59
Car loan payments +\$1.85
Servicing & tyres +\$0.70
– Unchanged
Roadside assistance
Rego, CTP & licensing
↓ Decreased
Insurance -\$0.18



QLD transport costs

Per household

Brisbane

In the June quarter, the Brisbane typical household's annualised transport costs fell by \$129 – dropping to \$23,853.

This decrease was largely driven by declines in fuel expenditure (down \$129 annually) and comprehensive insurance costs (down \$74). A \$122 increase for annual car loan repayments did not fully offset the decreases.

Brisbane displaces Perth as the second-most affordable capital, reclaiming this position after losing it in Q1.

cost rank	affordability rank
6 / 8	7 / 8
Third-least expensive	Second-most affordable*
Total weekly transport costs	% of income
\$458.71	15.0%
↓ - \$2.48 since Q1 2026	— Steady since Q1 2026

*by local purchasing power

Townsville

In the June quarter, the typical Townsville household's annualised transport costs rose by \$282 to \$21,262.

This was driven by increases in fuel expenditure (up \$300 annually), comprehensive insurance costs (up \$156) and car loan repayments (\$122).

Townsville remains the benchmark location with the lowest annualised transport costs and the second-best affordability (after Wagga Wagga).

cost rank	affordability rank
7 / 7	6 / 7
Least expensive	Second-most affordable*
Total weekly transport costs	% of income
\$408.89	13.9%
↑ + \$5.42 since Q1 2026	↑ + 0.2% since Q1 2026

*by local purchasing power

Changes in weekly transport costs

↑ Increased
Car loan payments +\$2.36 Servicing & tyres +\$0.26
— Unchanged
Rego, CTP & licensing Public transport Tolls Roadside assistance
↓ Decreased
Fuel expenditure -\$3.68 Insurance -\$1.42

↑ Increased
Fuel expenditure +\$2.99 Car loan payments +\$2.36 Servicing & tyres +\$0.27
— Unchanged
Rego, CTP & licensing Roadside assistance
↓ Decreased
Insurance -\$0.20



SA transport costs

Per household

Adelaide

In Q2, the typical Adelaide household's annualised transport costs rose by \$258 to \$24,365.

This was driven by rises in car loan repayments (up \$138 annually), comprehensive insurance (up \$67), servicing (up \$41), and fuel expenditure (up \$11).

For the sixth consecutive quarter, Adelaide had the lowest capital city diesel prices. Its average Q2 diesel price was 233.6.5¢; the capital city average was 242.3¢.

cost rank 5 / 8 Fourth-least expensive	affordability rank 5 / 8 Fourth-most affordable*
Total weekly transport costs \$468.56 ↑ + \$4.96 since Q1 2026	% of income 15.3% ↑ + 0.2% since Q1 2026

*by local purchasing power

Mount Gambier

In Q2, Mount Gambier's annualised typical household transport costs rose to \$22,236, up by \$420 from the previous quarter.

This was driven by higher fuel expenditure (up \$272 annually) and higher car loan repayments (up \$138).

Since Q3 2021, Mount Gambier has been the benchmark location with the lowest registration, CTP and licensing fees.

cost rank 4 / 7 Fourth-least expensive	affordability rank 4 / 7 Fourth-most affordable*
Total weekly transport costs \$427.61 ↑ + \$8.07 since Q1 2026	% of income 15.6% ↑ + 0.3% since Q1 2026

*by local purchasing power

Changes in weekly transport costs

↑ Increased
- Car loan payments +\$2.67 - Insurance +\$1.29 - Servicing & tyres +\$0.80 - Fuel expenditure +\$0.20
– Unchanged
- Rego, CTP & licensing - Public transport - Roadside assistance

↑ Increased
- Fuel expenditure +\$5.22 - Car loan payments +\$2.67 - Servicing & tyres +\$0.80
– Unchanged
- Rego, CTP & licensing - Roadside assistance
↓ Decreased
Insurance -\$0.62



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WA transport costs

Per household

Perth

In Q2, the typical Perth household's annualised transport costs rose by \$167 to reach \$24,563. This was driven by rises in car loan repayments (up \$66), fuel expenditure (up \$48), servicing (up \$40) and insurance (up \$13).

Perth was displaced as the second most affordable city by Brisbane, making it the third-most affordable capital.

cost rank 4 / 8 Fourth-most expensive	affordability rank 6 / 8 Third-most affordable*
Total weekly transport costs \$472.37 ↑ + \$3.22 since Q1 2026	% of income 15.0% ↑ + 0.1% since Q1 2026

*by local purchasing power

Bunbury

In the June quarter, the Bunbury typical household's annualised transport costs rose by \$199 to reach \$24,178.

It faced higher costs in several categories but these increases tended to be larger than its Perth counterpart's. There were rises in fuel expenditure (up \$262 annualised), car loan repayments (up \$66), servicing (up \$44) and insurance (up \$18).

Bunbury remained the benchmark regional centre with the highest typical household expenditure on car loan repayments; fuel; and servicing and tyres.

cost rank 1 / 7 Most expensive	affordability rank 3 / 7 Third-least affordable*
Total weekly transport costs \$472.46 ↑ + \$7.49 since Q1 2026	% of income 16.1% ↑ + 0.2% since Q1 2026

*by local purchasing power

Changes in weekly transport costs

↑ Increased
- Car loan payments +\$1.26 - Fuel expenditure +\$0.94 - Servicing & tyres +\$0.77 - Insurance +\$0.25
– Unchanged
- Rego, CTP & licensing - Roadside assistance - Public transport

↑ Increased
- Fuel expenditure +\$5.05 - Car loan payments +\$1.26 - Servicing & tyres +\$0.84 - Insurance +\$0.34
– Unchanged
- Rego, CTP & licensing - Roadside assistance



TAS transport costs

Per household

Hobart

Hobart's annualised typical household transport costs rose to \$21,485 – up \$354. That undid the Q1 2026 decrease of \$348, which was driven by the introduction of free public transport.

The June quarter's increase was driven by higher fuel expenditure (up \$139), higher car loan repayments (up \$115) and higher comprehensive insurance (up \$75).

In Q1 2026, Hobart's costs-to-income ratio improved from 18.0% to 17.4%. In Q2, the ratio deteriorated to 17.7%. Hobart remains the capital with the least-affordable transport costs.

cost rank 8 / 8 Least expensive	affordability rank 1 / 8 Least affordable*
Total weekly transport costs \$419.99 ↑ + \$6.81 since Q1 2026	% of income 17.7% ↑ + 0.3% since Q1 2026

*by local purchasing power

Launceston

Launceston's annualised typical household transport costs rose by \$109 to reach \$21,896. Higher car loan repayments (up \$115) and fuel expenditure (up \$77) offset an annualised decrease of \$103 in comprehensive insurance costs.

Launceston has been the least affordable benchmark location since Q2 2021. In Q2 its costs-to-income ratio was 19.5%.

cost rank 5 / 7 Third-least expensive	affordability rank 1 / 7 Least affordable*
Total weekly transport costs \$421.07 ↑ + \$2.09 since Q1 2026	% of income 19.5% ↑ + 0.1% since Q1 2026

*by local purchasing power

Changes in weekly transport costs

↑ Increased
- Fuel expenditure +\$2.67 - Car loan payments +\$2.22 - Insurance +\$1.45 - Servicing & tyres +\$0.47
– Unchanged
- Rego, CTP & licensing - Roadside assistance - Public transport

↑ Increased
- Car loan payments +\$2.22 - Fuel expenditure +\$1.49 - Servicing & tyres +\$0.37
– Unchanged
- Roadside assistance - Rego, CTP & licensing
↓ Decreased
Insurance -\$1.99



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NT transport costs

Per household

Darwin

In the June quarter, Darwin's annualised typical household transport costs rose by \$315 to reach \$23,152.

This was driven by rises in car loan repayments (up \$3121 annually), comprehensive insurance costs (up \$88), fuel expenditure (up \$72) and servicing (up \$36).

Darwin's cost-to-income ratio currently sits at 16.1%, moving from third least affordable to second least affordable after Melbourne's large decrease in transport costs.

Free public bus services meant Darwin and Hobart remained the capitals with the cheapest public transport.

cost rank	affordability rank
7 / 8	2 / 8
Second-least expensive	Second-least affordable*
Total weekly transport costs	% of income
\$445.24	16.1%
↑ + \$6.07 since Q1 2026	↑ + 0.3% since Q1 2026

*by local purchasing power

Alice Springs

Alice Springs was the benchmark location with the biggest June quarter increase in transport costs. Its typical household's annualised transport costs rose to \$23,836, up \$613 from the March quarter.

Higher annualised fuel expenditure (up \$450) and car loan repayments (up \$166) outweighed reductions in car loan repayments and servicing and tyres costs.

Alice Springs displaced Geelong as the second-most expensive regional benchmark location, behind Bunbury. It also remains the second-least affordable regional benchmark location, behind Launceston.

cost rank	affordability rank
2 / 7	2 / 7
Second-most expensive	Second-least affordable*
Total weekly transport costs	% of income
\$458.39	17.6%
↑ + \$11.80 since Q1 2026	↑ + 0.5% since Q1 2026

*by local purchasing power

Changes in weekly transport costs

↑ Increased
- Car loan payments +\$2.33 - Insurance +\$1.68 - Fuel expenditure +\$1.38 - Servicing & tyres +\$0.68
– Unchanged
- Public transport - Roadside assistance - Rego, CTP & licensing

↑ Increased
- Fuel expenditure +\$8.73 - Car loan payments +\$2.33 - Servicing & tyres +\$0.77
– Unchanged
- Roadside assistance - Rego, CTP & licensing
↓ Decreased
Insurance -\$0.03



ACT transport costs

Per household

Canberra

In the June quarter, the typical Canberra household's annualised transport costs fell \$820 to reach \$24,624. A reduction in public transport's monthly cap from 40 fares to 20 fares saved the household \$886 on an annualised basis.

As a result, Canberra's costs-to-income ratio decreased from 14.5% to 14.0%. It remains the capital city with the most affordable transport.

cost rank 3 / 8 Third-most expensive	affordability rank 8 / 8 Most affordable*
Total weekly transport costs \$473.54 ↓ - \$15.77 since Q1 2026	% of income 14.0% ↓ - 0.5% since Q1 2026

*by local purchasing power

Changes in weekly transport costs

↑ Increased
Car loan payments +\$1.90
Servicing & tyres +\$0.33
Rego, CTP & licensing +\$0.23
— Unchanged
Roadside assistance
↓ Decreased
Public transport -\$17.05
Fuel expenditure -\$0.68
Insurance -\$0.50



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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 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).

As with any economic modelling, the Index is built on a series of assumptions. 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 with the ABS “basket of goods”, the Index can be updated over time to reflect the changing patterns of Australian households and their transport options and choices.

In the Q3 2024 release, the typical Brisbane and Melbourne households’ assumed use of toll roads were changed from five return trips to two return trips each week to align them with the Sydney household. In addition, the method of calculating comprehensive car insurance costs was broadened to cover substantially more data points from market leading insurers. To enable comparisons, adjustments have been made to the corresponding Q2 2024 costs.

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, fuel prices and insurance costs).

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. Both are employed full time and commute each weekday to workplaces in or near their city or town’s CBD.**¹
- **Has two mid-range, high selling cars – a near-new car financed with a variable-rate car loan and an older car owned outright. Both vehicles are roadworthy and registered.**
- **Has comprehensive car insurance from market leading insurers.**
- **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.

¹ Additional characteristics are considered for the purpose of calculating insurance costs.

*“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 twice a week to travel to and from work.



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 similar ages to the average ages in the hypothetical city household; have a reasonable proportion of detached housing; and have a substantial proportion of households with couples and 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.

