



ACT Government

Car registration to become \$10 million cheaper

Embargoed until 1 May 2001

The ACT Government is returning a tangible dividend to Canberra taxpayers through the 2001-02 Budget, with a **\$58 reduction in registration fees** for all private and business vehicles including motorcycles.

ACT Chief Minister and Treasurer Gary Humphries said today that the ACT Government had listened to the community during draft budget consultations on the best way to deliver \$10million in tax cuts back to the community.

"The community has expressed concern over the rising costs of keeping their cars on the road, particularly in the face of spiralling petrol prices," Mr Humphries said.

"The ACT Government is mindful that for people on low incomes transport can represent a significant proportion of their expenditure. This initiative is certainly helping to keep those costs down.

"The cut equates to a 22 per cent reduction on the average registration component of vehicle registration, bringing the ACT's fees **\$17.00 lower than NSW**.

"People who pay their registration three or six-monthly will also benefit with the saving applying on a pro-rata basis.

"Importantly, the proportional reduction is greater for those who drive *smaller* cars – meaning the measure provides incentives for people to drive more fuel efficient cars, helping the ACT meet its greenhouse gas reduction targets."

Mr Humphries said the Government had been forced into some tough financial decisions over the last few years, as it worked to rebuild the ACT's finances after years of Labor Party mismanagement. From a \$344m Operating Loss in 1995, the Government had now delivered a balanced budget.

"As this new initiative for car registration proves, being prudent with the purse strings has certainly paid off for the people of Canberra.

"With almost every household in Canberra owning at least one car, virtually every family will feel the effect of reduced registration fees," Mr Humphries said.

Statement ends

Media Contact:

Craig Allen, (02) 6205 0022, 0412 487 504
Craig.allen@act.gov.au