



Media Release

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Regional fuel tax a nonsense

The introduction of legislation enabling the imposition of regional fuel taxes is a retrograde step that will hinder rather than help the Government's infrastructure plans, according to Road Transport Forum Chief Executive Ken Shirley.

"Regional fuel taxes are a complete nonsense these days," Shirley says. "They are inefficient, full of loopholes and exclusions and therefore the impact on motorists is often inequitable and the revenue gathered underwhelming."

"As a means of raising revenue for infrastructure there is far more merit in a realignment of Auckland Council's assets and the establishment of a road pricing scheme. Road pricing or congestion charging has been shown in other parts of the world to be effective and it is also future-proofed against the modern changes in transport technology."

"By its very definition fuel tax relies on the sale of transport fuels, however as cars become more efficient and the take up of EV's grows fuel taxes become less and less effective. This is backward looking policy."

"The Government and Auckland Council would be far better off investing time in developing a fair road pricing regime for some of the city's worst congested routes, rather than mucking around with a blunt and unsophisticated fuel tax," says Shirley.

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