## **Impact Analysis Statement**

## Details

Lead department	Department of Transport and Main Roads
Name of the proposal	Amendments to the Tow Truck Regulation 2009 and the Transport Operations (Road Use Management—Vehicle Standards and Safety) Regulation 2021 industry fees.
Submission type (Summary IAS / Consultation IAS / Decision IAS)	Summary IAS
Title of related legislative or regulatory instrument	<ul> <li>Tow Truck Regulation 2009</li> <li>Transport Operations (Road Use Management—Vehicle Standards and Safety) Regulation 2021</li> </ul>
Date of issue	

Proposal type	Details
Regulatory proposals where no RIA is required.	Industry fees for the tow truck scheme under the <i>Tow Truck Regulation 2009</i> and for the Approved Inspection Station (AIS) scheme under the <i>Transport Operations (Road Use Management—Vehicle Standards and Safety) Regulation 2021</i> are regulated by the Department of Transport and Main Roads (TMR). These fees are levied directly by industry to consumers, and no revenue is directed to government.  Fees involved in the schemes are:  Tow truck scheme  the standard tow charge (Schedule 3, Part 1, items 1 and 2),  on-site release charge (Schedule 3, Part 2), and
	<ul> <li>storage charge (Schedule 3, Part 3).</li> <li>Approved Inspection Station</li> <li>Inspection of vehicle for issue of safety certificate (Schedule 3, items 1 (a), (b) and (c),</li> <li>Inspection of vehicle for issue of certificate of inspection (Schedule 3, items 2 (a), (b), (c)(ii), (d), (e) and (f).</li> </ul>
	The only increase applicable to these fees is the Government Index Rate (GIR) as TMR is bound by Section 4.2 of Queensland Treasury's <i>Principles for Fees and Charges</i> (the Policy) which states that government agencies must apply the current GIR to all prescribed fees and charges in legislation which it administers.
	To support the cost of living, the Government has set the 2024-25 GIR at 0%. TMR has received approval to apply an indexation rate of 3.4% in 2024-25 for fees within these



schemes.

The regulated tow truck and AIS industries depend on indexation to keep up with business costs and cost of living increases each year.

If the 0% GIR is retained for these industry fees, it is likely that some industry members will choose to no longer offer these services as they are not being adequately compensated for their time, running costs and expertise. Additionally, the tow truck industry may make-up lost revenue by increasing their unregulated fees such as storage of a crashed vehicle which will have negative financial impacts on the owners of the crashed vehicle.

Supporting those industries is critical to TMR in providing a responsive environment for road safety. The fees are industry fees levied directly by industry to consumers, and no revenue is directed to government.

These fees are usually adjusted by amendments to the Acts Interpretation (Fee Unit) Regulation 2022, however, as a general 0% GIR has been applied, there will be no amendments to this Regulation. The fee units prescribed within the Tow Truck Regulation 2009 and Transport Operations (Road Use Management—Vehicle Standards and Safety) Regulation 2021 will be adjusted in the Transport Legislation (Fees) Amendment Regulation (No.2) 2024 by 3.4% to reflect the approved increase.

The amendment proposes only standard fee variations in line with a government endorsed indexation factor and are not subject to regulatory impact assessment requirements under the Better Regulation Policy.

## Signed/Approved

Sally Stannard

Director-General

7 / 6 /2024

Bart Mellish MP

Minister for Transport and Main Roads

Minister for Digital Services

101 6 12024