

# Media Release



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## Road funding cuts not the answer

The Victorian Farmers Federation (VFF) is seeking a commitment from the Federal Government that any potential cuts to the fuel excise will not impact road funding.

VFF President Emma Germano said there needs to be an assurance that the potential cuts flagged by Treasurer Josh Frydenberg in next week's Federal Budget will not come at the cost of our road system.

"Our entire community and especially rural residents are hurting from the current high fuel prices, but we need assurances from the government that road funding will not be impacted," Ms Germano said.

Ms Germano added that charges applied to road users through the fuel excise are used to pay for the construction and maintenance of roads. A temporary reduction in fuel excise of 10 cents a litre for six months could cost the government an estimated \$1.5 billion.

"Our regional road networks are in desperate need of funding. It's damning that since 2009, the Australian government has spent less than half of net excise on roads," Ms Germano said.

In the 2020 Federal Budget papers, the government committed the proportion of net fuel excise being invested in land transport infrastructure increasing from 82 per cent in 2020-21, to 100 per cent by 2022-23.

"Australians deserve to have their fuel taxes reinvested into our road networks to ensure they are safer and more efficient."

"Users of our regional roads are crying out for funding. Any changes to the fuel excise must be temporary and not impact road funding," Ms Germano said.

**ENDS**

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