# Roads – another deficit year

Previous articles identified the fact of a large reported road fiscal deficit; Australian road spending exceeding road revenues by billions of dollars for years. Dr Michael Keating AC and roads expert Mr Luke Fraser are almost the only voices drawing attention to this.[[1]](#endnote-1)

The result, contrary to views propounded by lobby groups or implied in presentations of official statistics, was reaffirmed by data released just before Christmas 2016.[[2]](#endnote-2)

The deficit in 2014-15 was $3.2billion; spending exceeded revenue by 13%.

The cumulative deficit in the 5 years to 2014-15 was $21.8billion; excess spending of 17%.

Sources: Bureau of Infrastructure, Transport and Regional Economics Infrastructure Statistics Yearbook 2016 tables 1.2e and 1.4a. Australian Bureau of Statistics, Consumer Price Index from http://www.rateinflation.com/consumer-price-index/australia-historical-cpi.

For reasons explained previously:

1. these figures understate the true road deficit, and
2. there should be a large roads fiscal surplus.

Australia does face a serious road problem; undercharging and overspending. Most likely spending is also misdirected; monumental engineering on some roads while others fall apart.

Among the consequences are formidable obstacles to all-roads pricing reform. Nonetheless, the Minister for Urban Infrastructure presaged a review into road pricing to be led by an ‘eminent’ Australian.[[3]](#endnote-3)

Australia also faces a problem of denial and misrepresentation of road facts. We can only hope the eminent person and the review secretariat (officials from states, the Department of Infrastructure and Regional Development and Infrastructure Australia) reduce this factual deficit.

J Austen

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1. See roads articles at thejadebeagle.com [↑](#endnote-ref-1)
2. <https://bitre.gov.au/publications/2016/files/BITRE_yearbook_2016_statistics_full_report.pdf> [↑](#endnote-ref-2)
3. For light vehicles <http://minister.infrastructure.gov.au/pf/speeches/2016/pfs013_2016.aspx> [↑](#endnote-ref-3)