

**MEDIA RELEASE**

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**Congestion levy boundary expands Victorian Governments income**

The Congestion Levy in Melbourne was introduced in 2006 to reduce traffic congestion by encouraging commuters to switch to public transport for travel into the city and to create more parking options for shoppers and visitors. In last week's budget update 2013 -2014 the Victorian Government has now opted to extend the boundary of the Levy to include South Melbourne, West Melbourne, Fitzroy, Parkville, Carlton and Port Melbourne. The new levy for these precincts will be charged at a concession rate of \$950 per parking space, compared with \$1300 in the CBD.

Together with a 130% increase in the original Levy since 2006, Melbourne will in 2015 become Australia's most highly taxed car parking capital. Whilst the Treasurer Michael O'Brien claims this expansion of the Levy will support a continued record investment in infrastructure and services, Parking Australia - the Association representing the Parking Industry is calling on the Treasurer to clearly identify where this additional revenue will be directed so as to reduce congestion in the CBD and beyond. "A congestion levy to raise funds for future public transport infrastructure is the responsibility of all beneficiaries and should not fall only on non-residential property owners and tenants." said Chief Executive of Parking Australia – Lorraine Duffy

At a time when the retail sector is struggling, any expansion or increase in business taxes puts a further burden on an already volatile industry. "If the objective of the Congestion Levy is as a travel demand management tool, then the introduction of the expanded levy to encompass fringe precincts will only encourage businesses to reduce their parking supply which will encourage "cruising" for car spots, more emissions and increased congestion" noted CEO Duffy. "Parking Australia does not support this means of revenue raising which will impact a whole range of industries and have a negative impact on business competitiveness and economic development. It will push up the cost of parking and motivate consumers to shop elsewhere".

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**About Parking Australia**

*Formed in 1986, Parking Australia brings together the various elements of, and promotes excellence in the control and management of parking facilities. It represents a broad cross section of local government and statutory authorities, parking operators, service providers and suppliers to the parking industry. Through the Associations influence, it liaises with decision makers in the government sector, developers and owners of properties, and other related professionals, of current best practice, latest technologies, knowledge and information spanning all relevant issues in parking*

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