The introduction of a road user charge in the Netherlands in 2012 could be the first step in changing transport cost structures around the world, if others follow suit. The road user charge means payment for each kilometre driven, all carefully monitored thanks to Global Positioning System (GPS) technology to be installed in each vehicle. The GPS will not only record each journey but will also take into consideration the speed, noise pollution, road damage, time of travel (peak and non-peak) and climate change gas emissions of the vehicle. Through broad consideration of these critical factors affecting current congestion levels, the scheme not only captures the environmental impact of using the road but takes the debate much further by forcing emphasis on sustainable mobility, rather than a narrow focus on carbon dioxide equivalent emissions.

As to be expected, vehicles including trucks with larger carbon dioxide emissions will pay a higher price to use the road network. Despite the growing mood of governments and manufacturers to push forward low emission electric cars, even zero emission vehicles will be charged to use the road, thereby highlighting the broader costs to society of vehicle infrastructure establishment, use and maintenance. Although the charge will be much less than for a normal car, electric cars still use the valuable road system and potential road damage is a large factor in the sustainability equation. The proposed introduction of a charge to use one of the world’s busiest road networks has been met with a positive reaction in principle, primarily because of the Dutch government’s long term planning for such issues with prior discussions and engagement of the public in debate over a period of years and the resulting perceived fair and equitable nature of the system. Those who oppose the road-user charge principally base their arguments on the potential for privacy breaches which accompany the GPS tracking process. However, the UK Environmental Transport Association claims that satellite technology, which acts as a tracking device, is no more invasive than using a GPS mapping system, or sending an SMS.

Introduction of the road user scheme will result in a saving for many drivers as it will mean the abolition of fuel and vehicle excise duties, with most vehicles costing drivers less. Commercial vehicles, which travel further and also contribute to congestion through road use at the busiest times of the day, have a higher environmental impact, and will therefore pay more than commuters. Road pricing has large implications for cost structures as the increased variable user costs caused by the scheme will be offset by reduced fixed costs of entry into the vehicle user market. Such cost changes will affect companies, need to be taken into account through changing corporate logistics, and passed on to customers in any businesses re-evaluation of product and service costs and revenues given the state of competition. If an item is going to cost more to be transported in highly congested conditions, or over an increased distance, then the item will need to be re-costed and invariably the consumer will bear the increase. Despite the potential for increased prices for goods and services, from an accountability perspective, a positive outcome of the scheme should be that companies continuing to act unsustainably whilst promoting their sustainability credentials as a marketing strategy will be
found out and forced into sustainable mobility thinking, at least insofar as the road system is concerned.

In the Asia Pacific region, there is discourse amongst economists concerning the level of prices that should be set for road transport. The arguments have not yet developed into a successful model, such as that proposed by the Dutch, which considers not just climate change gas emissions but the broad implications of road use. For example, in Australia at present all cars, whether for personal or commercial use, shoulder a uniform excise charge of 36.1c a litre on petrol, and 19.6c a litre on diesel. With transport the third largest, and second fastest growing, source of greenhouse gas emissions in Australia, the Dutch experience will be important to observe.

Should the outcome from the introduction of the road user charge scheme in the Netherlands be successful, it could serve as a model that would allow other countries to move forward with a user-pays scheme thereby making progress toward reductions in transport-generated greenhouse gas emissions and ultimately, sustainability of road networks. Road pricing means that the associated switch from a mixed cost structure to a variable costing situation for road users will have conventional management accountants calculating the impact on break-even and profitability. In contrast, sustainability orientated management accountants will also be looking beyond the financials at studies that can demonstrate social benefits for example health improvements for drivers and passengers not having to queue in traffic for so much time, the increased life of vehicles caused by lower use, and the lower accident rates which may be expected to accompany less frustrated drivers.