



STATEMENT

ROAD USER CHARGING AND ULTRA LOW EMISSIONS VEHICLES

The NRMA extends in-principle support to progressing Road User Charging (RUC) reform while encouraging the transition to Ultra Low Emissions Vehicles (ULEVs).

However, any new or additional impost on the purchase or use of these vehicles in the short term would be counterproductive and would act to discourage the purchase of cleaner and more efficient vehicles.

Governments currently investigating road pricing reform policies need to consider the economic and societal benefits of ULEVs, and avoid inadvertently putting in place additional barriers to their adoption.

At the state and territory level, any shift to a distance-based charging system should incentivise the uptake of ULEVs in all operating environments, including urban, regional and rural; initial reform could be enabled by replacing government registration charges, and preferably also stamp duty.

This approach places no additional impost on ULEVs in the short term while purchase prices remain high, and does not preclude a cross-jurisdictional commitment to ensure national consistency and simplicity.

A trial or pilot of this type of model on a voluntary, opt-in basis would be supported by the NRMA.

Once recognised, distance-based charging should evolve to consider further use factors to improve equity and road network efficiency, including location, time of day and vehicle type; price adjustments should also be considered over time to ensure sustainable funding for roads and transport infrastructure and maintenance.

ULEVs contribute to government revenue through a combination of GST, LCT, stamp duty and registration, and should be supported by governments in the short term; transitioning to ULEVs also shifts consumer fuel spending towards Australian-made energy, supporting Australian industry.

ULEVs similarly provide indirect societal benefits, including lower vehicle emissions, better air quality and improved national security.

Putting downward pressure on initial purchase prices while investing in supporting infrastructure will encourage more motorists to consider ULEVs. Addressing high purchase prices compared with overseas markets and tackling range anxiety continue to be priorities for the NRMA.

Note: Ultra Low Emissions Vehicles (ULEVs) include Battery Electric Vehicles (BEVs), Plug-in Hybrid Electric Vehicles (PHEVs) and Fuel Cell Electric Vehicles (FCEVs).