s22(1)(a)(ii)

From: s47F @evc.org.au>
Sent: Thursday, 9 April 2026 3:06 PM
Cc: s47F
Subject: Behavioural research into an EV-only RUC
Attachments: Electric Vehicle Council Planned EV Taxes will slash uptake in suburbs (FED).pdf

Hi all,

In March, Dr Simon Jackman, s47F and I briefed you and your offices on behavioural research undertaken by Simon on the impact of an EV-only road user charge (RUC) on EV uptake. The research was motivated by the Federal and State Treasurers' pledge in September 2025 that reforms to road user charging "should be designed to not deter the continued take-up of electric vehicles." We sought to provide an evidence base of how a currently proposed RUC such as the NSW model would affect EV uptake at this crucial point in the transition before price parity between ICE and EVs.

As we noted at the time, our research would be published to provide transparency and support broader discussion of this research. Yesterday, the study was reported on by the Driven here. You can also find the EVC's media release which was widely circulated.

Here's the key takeaways:

- Twenty eight percent of Australian drivers who are likely to buy an electric vehicle would be dissuaded by these proposed road user charges
- Working families aged 30 to 55 living in the outer suburbs are the most interested in buying EVs, but also those most deterred by a road user charge
- 3c/km charge on battery electric vehicles (like the NSW charge) is too high and will effectively encourage people to stay with petrol hybrids

Thank you for engaging with us and giving us an opportunity to brief you on this important work. Dr Jackson and the EVC team are available to speak further on this topic at your convenience and look forward to working with you on the next steps in this policy area.

We also have a currently ongoing work project with rideshare drivers on the impacts of a RUC on their transition to EVs and look forward to sharing the outcomes of this work with you shortly.

Warm regards,

s47F
Head of Legal, Policy and Advocacy | Electric Vehicle Council

M: s47F | Melbourne-based
E: s47F evc.org.au | W: www.electricvehiclecouncil.com.au

ELECTRIC VEHICLE COUNCIL

Book time to meet with me

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Media Release: Planned EV Taxes will slash uptake in suburbs

Electric Vehicle Council

New behavioural research shows working families in outer suburbs are the keenest to buy electric vehicles, but would be hardest hit if incentives were switched off and new road user charges were introduced.

Families in Australia's outer suburbs are turning to electric vehicles as petrol prices surge, but face new taxes on driving electric under plans by the Federal and NSW Governments, that would cut across their promise not to discourage EV uptake.

In September 2025, the Federal and State Treasurers pledged that reforms to road user charging "should be designed to not deter the continued take-up of electric vehicles."

The Minns Government is set to begin taxing EVs 3c/km, potentially from next year, and the Albanese Government is actively planning its own tax.

Twenty eight percent of Australian drivers who are likely to buy an electric vehicle would be dissuaded by these proposed road user charges, according to new behavioural research by Professor Simon Jackman, Honorary Professor at Sydney University.

"It's clear that drivers aged 30-55, and those in outer suburbs and regions would be most discouraged from EV purchase intentions after being informed of the Road User Charge they would pay, " said researcher, Professor Simon Jackman.

"Older drivers and those in wealthier, more professional postcodes are the least affected."

The behavioural research of 3,613 Australian drivers identifies that working families aged 30 to 55 living in the outer suburbs are the most interested in buying EVs, but also those most deterred by a road user charge. These families drive further than average, have longer commutes, are under-serviced by public transport. They are motivated primarily by fuel savings, and are driving the growth of EVs in Australia.

Just as Australians are struggling with higher fossil fuel prices as a result of the Iran War, the average driver would be hit with $353 a year in new taxes for driving an EV.

Energy Minister Chris Bowen's electorate is home to suburbs most turned off EV purchases by a road user charge. In suburbs like Kemps Creek, 33% of likely EV buyers are discouraged. In Brisbane it's Treasurer Jim Chalmers electorate that is most sensitive to the charge, Parkinson in the Treasurers electorate or Rankin similarly turned off.

Electric Vehicle Council CEO Julie Delvecchio said:

"Australians are turning to electric vehicles to escape rising petrol — but a new road user charge could hit drivers with around $353 a year in extra costs, wiping out the very savings driving this shift."

"The nation's Treasurers have pledged not to implement a road user charge that discourages EV uptake but this research finds that a charge like the one being proposed would do exactly that - turn off interest from people who stand to gain the most by driving electric."

"We know cost is everything. One in three Australians say the upfront price is the biggest barrier to buying an EV — and right now the FBT exemption is what's helping households get over that hurdle."

"At the same time, 47 per cent of EV drivers say lower fuel costs are the main reason they switched— so introducing a per-kilometre tax directly undermines the biggest benefit."

"This isn't evenly felt. In outer suburban areas like Kemps Creek, around 33 per cent of potential EV buyers are deterred by a road user charge — compared to about 20 per cent in wealthier inner-city areas."

"EV drivers travel about 60 per cent further each week than petrol drivers— so adding a per kilometre charge hits the very people using EVs as a cost-of-living solution."

"If the government removes the Electric Car Discount and adds a new tax on every kilometre, it's a double hit — higher upfront costs and higher running costs — and that's exactly what stops people switching."

"We've seen what happens when policy gets this wrong. In New Zealand, EV sales dropped from 20.6 per cent of the market to just 3.8 per cent in months after incentives were cut and charges introduced."[4]

"The Climate Change Authority is clear — Australia needs more than five million EVs on the road by 2035, which means around half of all new cars sold need to be electric."[5]

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"You don't get there by making EVs more expensive to buy and run — especially for the working families in the suburbs who are driving uptake."

Key findings

The research was conducted by Professor Simon Jackman using a nationally representative sample of 3,613 adult car owners, in December 2025. Each respondent was shown a personalised road user charge based on their actual driving at 3 cents per kilometre — the approximate trajectory of the NSW scheme. Purchase intention was measured before and after at an individual level.

The deterrent effect:

- 28% of all likely EV buyers are dissuaded after seeing their personalised road user charge
- 48% of "extremely likely" buyers downgrade their purchase intention
- 34% of "somewhat likely" buyers are deterred

Who is most affected:

- Working families aged 30–55 — the most deterred age group. Over-60s are barely affected.
- Outer-suburban postcodes — ~30% of likely buyers deterred, vs ~20% in wealthy inner-urban areas.
- Blue-collar communities — significantly more deterred than high-professional postcodes.
- Most affected electorates: McMahon, Blaxland, Watson, Greenway, Werriwa,Fowler, Lindsay, Chifley (Sydney); Hotham, Gorton, Calwell, Holt (Melbourne); Rankin, Dickson, Forde (Brisbane).

Record EV sales at risk

These findings come as Australians are adopting EVs at record rates:

- Battery EV sales up 95.9% year-on-year in February 2026 (11,134 vs 5,684)
- Total EV sales up 60.9% in February (16,988 vs 10,555)
- Year-to-date EV market share at an all-time high of 16.8%, with BEVs at 10.5%
- February 2026 EV market share reached 18.6% — nearly one in five new cars sold was electric

The fuel security context

Australia imports 90 per cent of its liquid fuel and has lost 70 per cent of its refining capacity in the past 15 years. Last week, the government took the unprecedented

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step of releasing 760 million litres from the national fuel stockpile. Petrol prices have surged past $2.20 a litre, with analysts forecasting $3 while the Strait of Hormuz remains closed. Every EV on the road is a vehicle that does not depend on imported petroleum.

Methodology

The behavioural research was conducted by Professor Simon Jackman using a nationally representative online panel of 3,613 Australian adult car owners (December 2025). Each respondent was shown a personalised RUC based on their self-reported driving at 3c/km. Purchase intention was measured before and after on a five-point scale. Individual-level transition matrices were used to calculate downgrade rates. Accumulated Local Effects (ALE) analysis from a boosted regression model identified demographic and geographic predictors of deterrence.

— ENDS —

Notes to editor

Professor Simon Jackman and EVC CEO Julie Delvecchio are available for interview.

The full research report, data tables, and city-level deterrence maps (Sydney, Melbourne, Brisbane, Perth) can be provided on request.

EV sales data sourced from FCAI VFACTS, February 2026.

Climate Change Authority, 2035 Targets Advice (September 2025).

Media contacts:

Todd Hayward, Electric Vehicle Council

+61 412 205 151 - media@evc.org.au

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s22(1)(a)(ii)

From: s22(1)(a)(ii)
Sent: Tuesday, 3 February 2026 10:24 AM
To: s47F
Subject: RE: AADA Pre-Budget submission

Thank you, s47F

From: s47F @aada.asn.au>
Sent: 02 February 2026 11:38
To: s22(1)(a)(ii) @mo.infrastructure.gov.au>
Subject: AADA Pre-Budget submission

Dear s22(1)(a)(ii),

Please find attached the Australian Automotive Dealer Association Pre-Budget submission. I draw your attention to Section 4 and Section 8 (Road User Charge) of the submission.

Thank you,

s47F

HEAD OF PUBLIC AFFAIRS

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AUSTRALIAN AUTOMOTIVE DEALER ASSOCIATION

2026-2027 PRE-BUDGET SUBMISSION

JANUARY 2026



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Section 1

FOREWORD

The Australian Automotive Dealer Association (AADA) welcomes the opportunity to make a submission for consideration by the Government in the preparation of its 2026-27 Budget.

Our submission details a number of recommended measures aimed at encouraging the uptake of low and zero emission vehicles, modernising Australia's automotive taxation regime and supporting businesses. There are over 3,200 new car dealers in Australia which range from family-owned small businesses to larger and publicly owned businesses operating in regional Australia and capital cities across the country. Franchised new car dealers employ more than 56,000 people directly with a total economic contribution of around $18 billion.

Each year, franchised new car dealers sell more than 1.6 million new and used vehicles, complete over 44 million individual service, repair and maintenance jobs and facilitate 464,905 finance contracts. In 2025, dealers employed around 5,850 apprentices and the commitment to training investment was $33 million. Dealers make a tax and duty contribution of $6.7 billion annually and often make significant contributions to their local economies through sponsorships, advertising and indirect contributions.

Franchised new car dealers play a critical role in delivering the Government's economic, emissions and consumer protection objectives. Dealers are the primary point of consumer engagement, vehicle delivery, compliance with consumer law, and increasingly, the front line of Australia's transition to low and zero emissions vehicles.

The global automotive industry is undergoing a period of unprecedented structural change. Accelerated efforts to decarbonise transport, rapid technological transformation, and the rise of new global manufacturing competitors and emerging brands, particularly from China are reshaping vehicle markets rapidly.

In Australia, these global forces are converging with significant domestic reforms, most notably the introduction of the New Vehicle Efficiency Standard (NVES), but also the entry of new brands, and shifting consumer expectations as take up of new technology accelerates. These forces will fundamentally change the operating environment for franchised new car dealers marking a critical point in ensuring longevity in Australia's retail vehicle sales.

Against this backdrop, the 2026-27 Budget represents a pivotal opportunity to ensure that policy ambition is matched by practical implementation. Without targeted reforms, existing tax and regulatory settings risk slowing electric vehicle (EV) uptake, increasing compliance costs, and placing dealers at risk for matters outside their control.

To this end, the AADA has presented a series of sensible, low cost and high impact reforms to ensure a smooth transition to a decarbonised vehicle fleet.

The AADA's pre-Budget priorities focus on:

- accelerating EV uptake at the point of sale,
- removing distortive and outdated tax settings,

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- safeguarding dealers from unintended consequences of the NVES, and
- investing in workforce capability to support the transition.

James Voortman
Chief Executive Officer



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DEALER
WAGES
$7.1 BILLION
ANNUALLY

TOTAL
ECONOMIC CONTRIBUTION
$18 BILLION
ANNUALLY

TAX
& DUTY
CONTRIBUTION
$6.7 BILLION
ANNUALLY



SALES
/TURNOVER
$76 BILLION
ANNUALLY

DEALER EMPLOYEES
56,719

APPRENTICES
5,850

TRAINING
INVESTMENT
$33 MILLION
ANNUALLY

WORKSHOP JOBS
COMPLETED
OVER
44 MILLION
ANNUALLY

CUSTOMER FINANCE
CONTRACTS
FACILITATED
464,905
ANNUALLY

NUMBER OF
DEALERSHIPS
3,248
TOTAL

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Section 2

AADA RECOMMENDATIONS

Support More Effective Franchising Relationships

- Address the structural power imbalance between franchised dealers and multinational vehicle manufacturers.
- Legislate unfair trading practices protections for all franchisees.
- Extend unfair contract terms protections to all franchisees, regardless of size or turnover.
- Improve the operation of the Australian Consumer Law to better support both consumers and dealers, including clearer indemnification and remedy processes.

Safeguard dealers from unintended impacts of the NVES

- Move NVES compliance obligations to the point of sale, ensuring responsibility aligns with the regulated entity.

Revisit business incentives such as the instant asset write off

- Allocate $20 million from the DRIVEN program to support dealer-led EV transition initiatives in regional and remote areas.
- Expand eligibility criteria under existing budgetary commitments to better reflect franchised dealership operating models through direct grants to incentivise investment.
- Invest in consumer education, workforce training, charging infrastructure and safety equipment at the dealership level.
- Expand investment incentives to support dealer investment in the transition to lower-emissions vehicles.

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AADA RECOMMENDATIONS

Reform and modernise automotive taxation

- Measured implementation of Luxury Car Tax reform.
- Remove the application of Luxury Car Tax to dealer-installed accessories, aftermarket fittings and modifications.
- Ensure any Commonwealth LCT exemptions flow through to state and territory tax and duty regimes.
- Introduce a defined exemption for dealership demonstrator vehicles under any future road user charging scheme.
- Review and simplify Fringe Benefits Tax rules applying to dealership demonstrator vehicles and car parking.

Streamlining the removal of finance company based or inappropriate registration of Personal Property and Securities Register encumbrances and reviewing the fees for repeat searches

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Section 3

SUPPORT MORE EFFECTIVE FRANCHISING RELATIONSHIPS

The Australian automotive new car retailing industry can be broadly defined into two categories. Vehicle manufacturers or OEMs, which are largely multinational businesses which supply vehicles into the Australian market. Car dealers, which are generally Australian privately owned or family businesses who enter franchise agreements to purchase vehicles from these manufacturers to retail to Australian consumers.

The relationship between Australia's almost 4000 franchised new car and truck dealers and vehicle manufacturers is characterised by a well-recognised structural power imbalance. This imbalance has been documented repeatedly through government reviews, court proceedings and regulatory inquiries, yet continues to expose dealers to unfair conduct, particularly during periods of market and regulatory change.

The pace of transition currently underway in the automotive sector, including decarbonisation policies, new distribution models and the entry of new global brands, has heightened the risk that this imbalance will be exploited. The AADA considers that government policies such as those developed to drive and accelerate EV take up will inadvertently increase this power imbalance, where OEMs will seek to shift compliance risk and costs onto dealers. This is significantly increased where Australian dealer businesses have massive sunk investments in dealership facilities, equipment, workforce and stock.

In this context, it's time critical that protections against unfair trading practices and unfair contract terms for all franchisees are strengthened. While recent reforms to unfair contract terms laws are welcome, many franchised dealers remain excluded due to employee or turnover thresholds, despite facing counterparties with vastly superior bargaining power. Similarly, the absence of a general prohibition on unfair trading practices leaves dealers vulnerable to conduct that causes real harm but does not meet the high legal threshold for unconscionable conduct. Extending UTP and UCT protections to all franchisees would provide a more effective and proportionate regulatory response to the realities of automotive franchising in Australia.

The Government has already acknowledged the need for stronger protections in this area through its pre-election commitment to extend UTP and UCT protections to all franchisees. This commitment was further reinforced in the 2025–26 Federal Budget, which included a specific funding allocation to support the extension of these protections to franchised new car and truck dealers. The Budget also provided $7.1 million over two years to strengthen ACCC enforcement of the Franchising Code of Conduct, underscoring the Government's stated intention to address power imbalances and unfair conduct within franchising arrangements.

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Similarly, improving the operation of the Australian Consumer Law (ACL) in the automotive context is also essential to achieving fair outcomes for both consumers and dealers. Dealers are the primary point of contact for consumers and carry frontline responsibility for consumer remedies, yet often lack control over product design, technical diagnosis and parts supply. Clearer indemnification and remedy processes would reduce disputes, improve consumer outcomes and ensure that liability rests appropriately with the party responsible for the underlying issue.

The AADA recommends:

- Address the structural power imbalance between franchised dealers and multinational vehicle manufacturers.
- Legislate unfair trading practices protections for all franchisees.
- Extend unfair contract terms protections to all franchisees, regardless of size or turnover.
- Improve the operation of the Australian Consumer Law to better support both consumers and dealers, including clearer indemnification and remedy processes.

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SAFEGUARD DEALERS FROM UNINTENDED IMPACTS OF NVES

Since the inception and design of the New Vehicle Efficiency Standard (NVES), the AADA has consistently advocated for moving the point at which compliance with the standard is met to registration or sale. The AADA welcomes the Government's exploration of alternative compliance models and considers this a critical opportunity to improve the effectiveness, fairness and integrity of the NVES.

The automotive franchising sector in Australia is characterised by many examples whereby franchisors exploit the power imbalance which underpins their relationship with franchisees. The imbalance is further exacerbated as dealers are often in a position of little leverage to negotiate better terms with their OEMs, and the ability for OEMs to push some of the costs of meeting the NVES onto dealers will leave them vulnerable to financial and logistical burdens. In Australia, more than 93 per cent of new vehicle sold in 2025 were done so under a franchised model, with just a handful of brands employing other distribution models such as 'agency' or direct to consumer.

Measuring compliance at the point of import creates significant unintended consequences for franchised dealers and can result in a significant distortion of market behaviour. Under the current framework, manufacturers are able to generate NVES credits or incur penalties based on vehicles that may not yet be sold, registered or even physically present in Australia. In some cases, vehicles may be entered onto the Register of Approved Vehicles (RAV) months before shipment, enabling credits to be generated well in advance of any real emissions reduction outcome.

This current import based compliance model creates strong financial incentives for manufacturers to manage NVES outcomes through import timing and stock decisions, rather than through genuine shifts in consumer uptake. As a result, dealers can be left holding excess or slower-moving stock (notably EVs), facing increased floorplan financing costs, and the need for significant discounting to clear inventory. These risks sit entirely downstream, despite dealers having no control over vehicle production, import volumes or compliance strategy, and most importantly, are not the regulated entity under the NVES.

The AADA recommends:

- Moving the NVES compliance obligations to the point of sale, ensuring responsibility aligns with the regulated entity.

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Section 5

SUPPORT THE TRANSITION TO ELECTRIC VEHICLES AT THE POINT OF SALE

The adoption of EVs will bring a range of economic, environmental, and social benefits to Australia. As zero and low emissions vehicles become more prevalent, new car dealers will play an important role in supplying those vehicles to the market, as they sell the overwhelming majority of new cars in Australia. While national policy settings, emissions standards and incentives shape market conditions, it is franchised new car dealers who engage directly with consumers, explain new technologies, facilitate test drives, and invest in the infrastructure and skills required to safely sell and service EVs.

To that end, the franchised new car dealer industry is supportive of a just transition which allows consumers to access state of the art fuel-efficient vehicles, but which does not drastically reduce vehicle affordability or choice. Our submission highlights the franchised new car dealer industry's support for an ambitious but equitable transition to lower and zero emission vehicles and details a number of recommended measures aimed at encouraging their uptake.

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Section 6

TARGETED USE OF DRIVEN FUNDING

The AADA supports the Government's commitment to electrification through the Dealership and Repairer Initiative for Vehicle Electrification Nationally (DRIVEN) program. However, to maximise its impact, funding must be more directly aligned with the realities of franchised dealership operations.

The AADA calls for the allocation of $20 million from the DRIVEN program to support a range of measures aimed at empowering dealerships to effectively demonstrate the advantages of EVs to customers, particularly in regional and remote Australia.

The funding could be used to support:

- research initiatives which examine current consumer appetite for transition to a lower or zero emission vehicle and current barriers to adoption, with findings used to develop targeted dealer training and education programs that directly address those barriers at the point of sale;
- electrical upgrades and on site charging infrastructure, including switchboard upgrades, increased grid capacity, installation of EV chargers, and associated safety and compliance works; and
- consumer education initiatives tailored to local conditions, including dealer-hosted information sessions and partnerships with energy and grid providers to help consumers understand home charging options, grid capacity, and installation requirements.

The AADA also considers that this must be undertaken through a coordinated national approach to help ensure DRIVEN funding is used effectively and reaches dealerships where support is most needed.

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EXPAND INVESTMENT INCENTIVES

Australia's automotive retail sector is highly capital intensive, with dealers required to make ongoing investments in property, equipment, training and inventory. These pressures are only intensifying as the industry transitions to electric and low-emissions vehicles with the need to upgrade tools and equipment, facilities etc. At a time of significant regulatory change and broader economic uncertainty, expanded investment incentives can play an important role in supporting business confidence, accelerating productivity, and helping dealers meet new compliance and consumer expectations.

Measures such as the instant asset write-off have previously proven effective in encouraging timely investment across small and medium enterprises, including automotive dealerships, and as these settings have been wound back many businesses are reassessing or deferring investment decisions, particularly in relation to EV-related infrastructure and equipment. The AADA therefore supports the reintroduction or expansion of the instant asset write-off, consideration of a broader investment allowance for productivity-enhancing expenditure such as EV servicing equipment, charging infrastructure and digital systems, and the design of incentives that are simple, nationally consistent and aligned with emissions and industry-transition objectives, without distorting competition.

The AADA recommends:

- Allocate $20 million from the DRIVEN program to support dealer-led EV transition initiatives in regional and remote areas.
- Expand eligibility criteria under existing budgetary commitments to better reflect franchised dealership operating models through direct grants to incentivise investment.
- Invest in consumer education, workforce training, charging infrastructure and safety equipment at the dealership level.
- Expand investment incentives to support dealer investment in the transition to lower-emissions vehicles.

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REFORM AND MODERNISE AUTOMOTIVE TAXATION

Franchised new car dealers across Australia administer and contribute almost $24 billion annually in automotive taxes, in the form of the Luxury Car Tax, Passenger Vehicle Tariff, state based motor vehicle stamp duty, registration fees, income tax and GST. More broadly, Australian consumers pay tens of billions of automotive related taxes annually, with the Bureau of Infrastructure and Transport Research Economics reporting that in the 2023-24 financial year, more than $44 billion in road-related taxes and charges were paid.

These automotive related taxes, applied at different levels of government, are often inefficient and outdated, raising questions around fair competition in the automotive industry and remain as a relic of an era when Australia manufactured vehicles. The lack of harmonisation across Australia's states and territories in the application of motor vehicle stamp duties and registration fees also increases complexity and continues to be a dampener on productivity.

Dealers operating across multiple jurisdictions must navigate a patchwork of inconsistent rules, rates, and administrative processes, which increases compliance costs and slows down transactions. These inefficiencies not only add to operational requirements for dealers but also contribute to delays in vehicle sales and delivery. The AADA considers that reducing tax-related administrative burdens would enable franchised dealerships to redirect resources away from compliance tasks and towards core operational priorities. This is particularly important at a time when the automotive sector is undergoing significant change, as a result of major policy reforms such as the introduction of the NVES.

Luxury Car Tax Reform

The AADA has long supported the abolition of the Luxury Car Tax (LCT) which we consider to be an outdated and redundant tax, that no longer reflects the actual vehicle market in Australia. The tax increases costs for consumers, complicates compliance for dealers, and disproportionately affects vehicles incorporating newer safety and emissions technologies.

However, the manner in which any reform or removal of the LCT is implemented is critically important. In particular, speculation around potential LCT changes, including through trade negotiations such as a future Australia European Union Free Trade Agreement, carries a real risk of unintended market disruption if not managed carefully. Poorly communicated reform risks triggering a buyer strike, with consumers delaying purchases in anticipation of tax changes, as well as causing excessive depreciation of existing inventory and recently purchased vehicles, affecting both consumers and dealers. These risks are particularly acute for franchised dealers, who hold significant capital in vehicle stock and operate in a highly competitive, margin-constrained environment.

While the AADA has consistently supported reform of the LCT, our view is that any change must be implemented in a way that provides certainty to consumers and industry and avoids sudden price shocks or market disruptions.

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Luxury Car Tax Application On Accessories

More than $1.17 billion was collected through the Luxury Car Tax in 2024–25, even though the tax increasingly applies to vehicles that are not genuinely luxury but are often the most practical or safest option for consumers, including popular regional models such as the Toyota Land Cruiser. The LCT can also discourage buyers from adding safety or emissions-reducing features because these additions may push a vehicle over the threshold, which works against the Government's broader road safety and environmental objectives.

The AADA considers that the LCT should ultimately be abolished now that its original purpose of supporting Australian manufacturing is no longer relevant, but in the meantime, sensible and common sense adjustments would ease the burden on consumers and improve safety and environmental outcomes.

The inclusion of 'accessories' in the calculation of a dealer's LCT liability (where the inclusion of accessories is above / triggers LCT thresholds) unfairly penalises dealers and consumers. As an example, a dealership fitting a bull bar to a vehicle attracting LCT must include the cost of that bull bar in the calculation of their LCT liability (i.e. a $2,000 bull bar then attracts 33% LCT, an increase to its cost of $660. If the consumer so chooses, they can take delivery of their vehicle and on the same day visit a non-genuine accessory fitter to have a bull bar installed. Doing so would not attract LCT. This arguably detracts from the safety of the vehicle (non-OEM parts) and unfairly penalises the dealer and consumer from being able to have a comparable accessory installed on the same terms.

The AADA strongly considers that accessories should not be included in the calculation of LCT, to provide consumers with competitive and safe accessory options and to provide a level playing ground for all accessory providers (dealer and aftermarket).

Nationally Consistent Tax Outcomes

Where changes are made to the application of the Luxury Car Tax, it is important that the policy intent is not undermined by inconsistent treatment at the state and territory level. Many state and territory stamp duty and vehicle-related taxes rely on Commonwealth tax concepts or vehicle values that can include amounts subject to LCT. Any Commonwealth exemption should therefore be designed to flow through to state and territory tax and duty regimes, ensuring nationally consistent outcomes, reduced administrative complexity, and that consumers and dealers receive the full benefit of the reform.

Future Road User Charging Scheme

Australian car dealers should not be disadvantaged in retailing new or used zero and low emission vehicles (ZLEVs) by being required to absorb road user charges on trading stock and demonstrator vehicles held for sale.

As described above, new car dealers are the most logical and direct pathway to introducing Australian consumers to the benefits and performance of ZLEVs. Test drives, including overnight or weekend use of dealer demonstrator vehicles, play an important role in building consumer confidence and supporting purchase decisions.

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This is particularly so for new or unique vehicle types such as EVs, where consumers may have no experience in that type of vehicle.

To encourage franchised dealers to maintain a readily available fleet of zero- and low-emission vehicle demonstrators, and to support sustainable sales volumes and the development of the second-hand ZLEV market, the Australian Government should remove any potential financial disincentives associated with the use of demonstrator vehicles under a road user charging system.

The AADA considers that an exemption should apply for new and used car retailers from any RUC methodologies on all ZLEVs of 7,500 kilometres, or 12 months of its initial registration (whichever comes first) to be applied to ZLEV trading stock, demonstrator vehicles or service demonstrator vehicles held by a licensed motor vehicle dealer in Australia. Those ZLEVs should have the exemptions applied in a similar way to that granted at the state level under the various state Motor Vehicle Duties Acts.

The exemption should be based on the following criterion:

- The exemption is applicable until the trading stock, demonstrator vehicle or service demonstrator ZLEV has had a change in its predominant use.
- That the ZLEV is trading stock and available and used for demonstration to prospective purchasers for sale of vehicles of the same class.
- A demonstrator vehicle is defined as a motor vehicle that is used exclusively for the purpose of sale or upsell of another vehicle of the same class or greater class.

FBT - Demonstrator Vehicles

The provision of demonstrator and used vehicles to dealership employees triggers complex FBT calculations, requiring detailed substantiation and record-keeping. There is ambiguity as to 'private use' and with the proliferation of LCV's (e.g. dual cab utility vehicles), confusing as to what is exempt for FBT and what is not. The AADA recommends a review of the application of vehicle fringe benefits and simplification of the rules surrounding private use and LCT exemptions.

FBT – Car Parking

Car parking fringe benefits arise where a dealer provides a vehicle for use of an employee, who then parks this car at the dealership which happens to be within 1km of the entrance to a 'commercial parking station' that charges an all-day parking fee greater than $11.03 (for the 2026 FBT year). Should the car be parked for more than four hours (between 7am and 7pm) that day, and the employee drives the car between home and work, a fringe benefit applies. This imposes an unreasonable burden on dealers who commonly provide vehicles to employees as part of their salary package. Its application to dealers is arguably unintended, given the commonality of providing vehicles. Further, it unfairly burdens dealers that have a paid parking facility within 1km versus those that do not.

Dealerships, by nature of the longstanding structure of their remuneration packages to employees, should be exempt from car parking fringe benefits to employees. Alternatively, the rules governing the application of car parking fringe benefits should be relaxed.

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Section 8

The AADA recommends:

- Measured implementation of Luxury Car Tax reform.
- Remove the application of Luxury Car Tax to dealer-installed accessories, aftermarket fittings and modifications.
- Ensure any Commonwealth LCT exemptions flow through to state and territory tax and duty regimes.
- Introduce a defined exemption for dealership demonstrator vehicles under any future road user charging scheme.
- Review and simplify Fringe Benefits Tax rules applying to dealership demonstrator vehicles and car parking.

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MO 27-158 - Document 2 Attachment

ACCESS TO THE PERSONAL PROPERTIES SECURITY

The Franchised new car dealers rely heavily on the Personal Property Securities Register (PPSR) to access vital information related to vehicle transactions. There is a legal requirement under the state-based licensing regimes to ensure buyers receive a clear title on a vehicle purchased from a motor dealer under the Australian Consumer Law and state-based motor dealer legislation.

However, dealers face ongoing challenges related to the cost and efficiency of accessing the PPSR. Dealers often need to perform multiple PPSR searches for the same vehicle, incurring repeated fees due to persistent delays from banks and finance companies in removing encumbrances once loans are finalised. While the Personal Property Securities Act 2009 (Cth) requires that security interests be removed from the PPSR within 5 business days, this timeframe is often not adhered to. And even when it is, the 5 day period is unnecessarily long and creates avoidable delays and administrative burden for dealers. Until the title is officially cleared, dealers must continue accessing the PPSR, sometimes over days or weeks, to ensure the encumbrance is cleared before proceeding with the sale.

This inefficiency creates unnecessary administrative burden and added cost, and for large volume dealers, this compounds quickly. Improving PPSR processes would represent a straightforward, low-cost win for industry productivity.

Streamlining the removal of finance company based or inappropriate registration of PPSR encumbrances and reviewing the fees for repeat searches would deliver immediate benefits to dealers, reduce sale delays in the used vehicle market, and ultimately improve outcomes for consumers, who often need timely access to vehicles via a franchised dealer.

The AADA recommends:

- Streamlining the removal of finance company based or inappropriate registration of Personal Property and Securities Register encumbrances and reviewing the fees for repeat searches.

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MO 27-158 - Document 2 Attachment

Section 10

CONCLUSION

The AADA would be happy to meet with you to discuss our submission and participate in any further consultation. If you require further information or clarification in respect of any matters raised, please do not hesitate to contact me.

James Voortman
Chief Executive Officer
E: jvoortman@aada.asn.au

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AUSTRALIAN AUTOMOTIVE DEALER ASSOCIATION

CANBERRA OFFICE
Suite 3, Level 1, 42 Macquarie Street, Barton ACT 2600
PO Box 4409 Kingston ACT 2604

E info@aada.asn.au

aada.asn.au

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s22(1)(a)(ii)

From: s22(1)(a)(ii)
Sent: Thursday, 5 February 2026 3:33 PM
To: s47F
Subject: RE: Roads Australia national public survey on RUC

Hi s47F

Sorry for the delay in responding. It's been a busy sitting week.

Happy to chat but could we please wait until the week starting 16 Feb so the sitting fortnight is over? Does 11:30 on Tuesday 17 Feb suit?

Cheers

s22(1)(a)(ii)

s22(1)(a)(ii) | Deputy Chief of Staff
Office of the Hon Catherine King MP
M s22(1)(a)(ii)

From: s47F @roads.org.au>
Sent: 02 February 2026 16:01
To: s22(1)(a)(ii) @mo.infrastructure.gov.au>
Subject: Roads Australia national public survey on RUC

Hi s22(1)(a)(ii)

Happy 2026! I hope you managed to get some time off to relax over the break.

I am just reaching out to let you know that we are commissioning Talbot Mills Research to do a national public survey on road user charging. The aim is to test public sentiment on RUC across the country.

It would be great to discuss this with you in greater detail before the survey is in market hopefully by mid-Feb.

Would you be free for a short Teams meeting this week or next to discuss further? There are also a couple of other things I'd like to update you on.

We will of course offer you a briefing on the survey results once it is complete.

Looking forward to hearing back from you shortly.

Warm regards
s47F

s47F
Executive Director – Policy & Government Relations
M s47F | E s47F n@roads.org.au

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roadsaustralia

Roads Australia,
477 Collins St, Melbourne VIC 3000

At Roads Australia, we encourage flexible working. If you receive an email from us outside your work hours, we don't expect you to read it, act on it, or reply until you return.

We acknowledge the Traditional Owners of Country upon which I work and live, and pay my respects to them, their culture and their Elders past, present and emerging.

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s22(1)(a)(ii)

From: s22(1)(a)(ii)
Sent: Wednesday, 22 October 2025 4:11 PM
To: s47F
Cc: s47F
Subject: RE: EVC fact sheet - truck Road User Charging [SEC=OFFICIAL]

OFFICIAL

Thank you, s47F. Appreciate you sharing.

Cheers

s22(1)(a)(ii)

OFFICIAL

From: s47F @evc.org.au>
Sent: Wednesday, 22 October 2025 2:09 PM
To: s22(1)(a)(ii) @MO.infrastructure.gov.au>
Cc: s22(1)(a)(ii) @mo.infrastructure.gov.au>; s22(1)(a)(ii) @infrastructure.gov.au>; s47F @evc.org.au>; s47F @evc.org.au>
Subject: Re: EVC fact sheet - truck Road User Charging

Hi s22(1)(a)(ii) - thanks for making some time for Julie last week. It sounds like it was a productive chat.

I'm just looping back with some updated advice regarding the reported road user charge on electric trucks (see attached). We've set out what we see as the key issues and sourced some early reactions from our industry members - many of them would be directly affected and they've expressed interest in briefing the Minister herself in due course.

In the meantime, do let me know if you had any questions or comments - I've CC-d s22(1)(a)(ii) the Department but feel free to share more widely, as needed.

Regards and thanks,

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s47F
Senior Policy Officer - Heavy Vehicles

ELECTRIC VEHICLE COUNCIL

s47F @evc.org.au
s47F
Brisbane-based
www.evc.org.au

From: s22(1)(a)(ii) @MO.infrastructure.gov.au>
Sent: Friday, August 22, 2025 4:02 PM
To: s47F @evc.org.au>; s22(1)(a)(ii) @mo.infrastructure.gov.au>
Cc: s47F @evc.org.au> s47F @evc.org.au> s47F
s47F @evc.org.au>; s22(1)(a)(ii) @mo.infrastructure.gov.au>
Subject: RE: EVC - policy brief for Transport Minister's office [SEC=OFFICIAL]

External

OFFICIAL

OFFICIAL

Hi s47F

Thanks for your time on Monday and for sending through those policy documents.

As discussed, the Minister is keen to meet with We will check if there is time 1 – 3 September.

Cheers

s22(1)(a)(ii)

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s22(1)(a)(ii) | Deputy Chief of Staff

Office of the Hon Catherine King MP

Ms22(1)(a)(ii)

OFFICIAL

OFFICIAL

From: s47F @evc.org.au>
Sent: Friday, 22 August 2025 1:17 PM
To: s22(1)(a)(ii) @MO.infrastructure.gov.au>; s22(1)(a)(ii) s22(1)(a)(ii) @mo.infrastructure.gov.au>
Cc s47F @evc.org.au>; s47F @evc.org.au>; (s47F s47F @evc.org.au>
Subject: EVC - policy brief for Transport Minister's office

Some people who received this message don't often get email from s47F @evc.org.au. Learn why this is important

Hi s22(1)(a)(ii)

It was a pleasure to meet with you on Monday and discuss the exciting reforms being undertaken by Minister King and the Government in the electrified transport sphere.

We are enthusiastic to work with you to achieve the government's agenda. As discussed, I've attached our policy brief which outlines the key issues we see for the Minister's attention and our position on them, as background to further conversations and policy development. I've included our contact details at the bottom and please feel free to reach out whenever you need.

Finally, s47F and I will be in Canberra between 1-3 September. If you're available to discuss the issues outlined in the brief in-person at any time over these dates, that would be a great opportunity to get your reflections?

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Thanks,

s47F

Head of Legal, Policy and Advocacy | Electric Vehicle Council

---

M: s47F

E s47F @evc.org.au | **W:** www.electricvehiclecouncil.com.au

ELECTRIC VEHICLE COUNCIL

Book time to meet with me

Disclaimer

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MO 27-158 - Document 4 Attachment

Electric Trucks vs Electric t-RUCs

ELECTRIC VEHICLE COUNCIL

Contact: cameron@evc.org.au

Charging heavy EVs for the roads they use is a matter of 'when' not 'if'. But getting the 'when' right for a truck road user charge (t-RUC) will make or break Australia's transition to a net zero freight system.

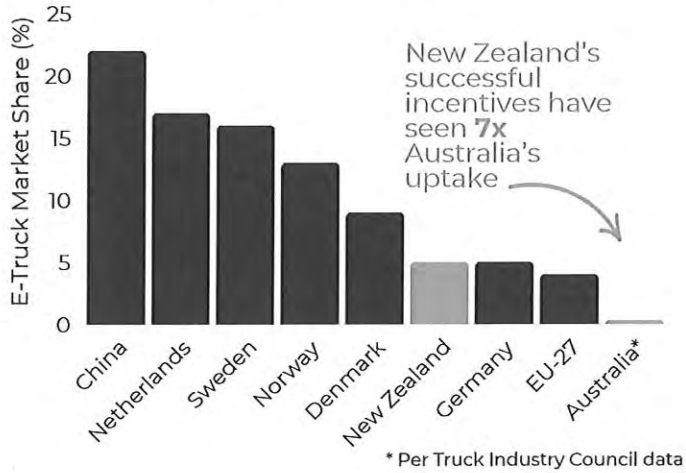
Where are all the electric trucks?

Uptake of electric trucks is weak and growing slowly. Unlike other countries, Australia offers almost no support for fleets to go electric; punitive measures will only slow uptake.

450 approx. number of electric trucks currently on Australian roads

0.7% proportion of monthly truck sales* that are electric

10 years until Government expects heavy electric vehicles to reach "mass market adoption"



* Per Truck Industry Council data

Electric truck technology isn't yet competitive in all freight tasks

Last Mile Delivery	Point-to-Point	Long Haul
		
Final deliveries to end customers	Freight between distribution centres, transfer hubs & intermediate locations	Interstate freight and linehaul services
Short-range urban routes with multiple stops, in high traffic areas	Mostly highway driving on medium-haul regional routes	Long-distance, highway driving, multiple driver shifts with limited downtime
Vans, light rigid trucks, semi- trailers	Heavy rigid trucks, semi-trailers, B-/A-double configurations	Various multi-trailer combinations and road trains
Approaching parity for some use cases ✓	Feasible but challenging commercially ?	Not yet like-for-like with diesel capability ✗

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MO 27-158 - Document 4 Attachment

Persistent Barriers to Uptake

ELECTRIC VEHICLE COUNCIL

Vehicle Cost



An electric truck can cost up to **triple the sticker price** of an equivalent diesel. We are yet to see any price moderation in the Australian market.

Payload Penalty



Electric trucks are heavier than diesels but are still subject to the same mass limits. This means less allowance for cargo - operators effectively **lose money on every trip**.

Access Restrictions



Using an electric truck on Australian roads is mired in **red tape**. Many e-trucks face effective bans or lengthy permit applications that change from state to state.

Charging Infrastructure



Recharging stations in Australia dedicated to trucks can be counted on one hand. Operators need a reliable **network of fast chargers** to support en-route operations.

'At Base' Chargers



Due to the above, early adopter fleets must install chargers at their *own* depot sites. Together with associated electrical upgrades, this can **cost 30% more** than the vehicles themselves

Downtime

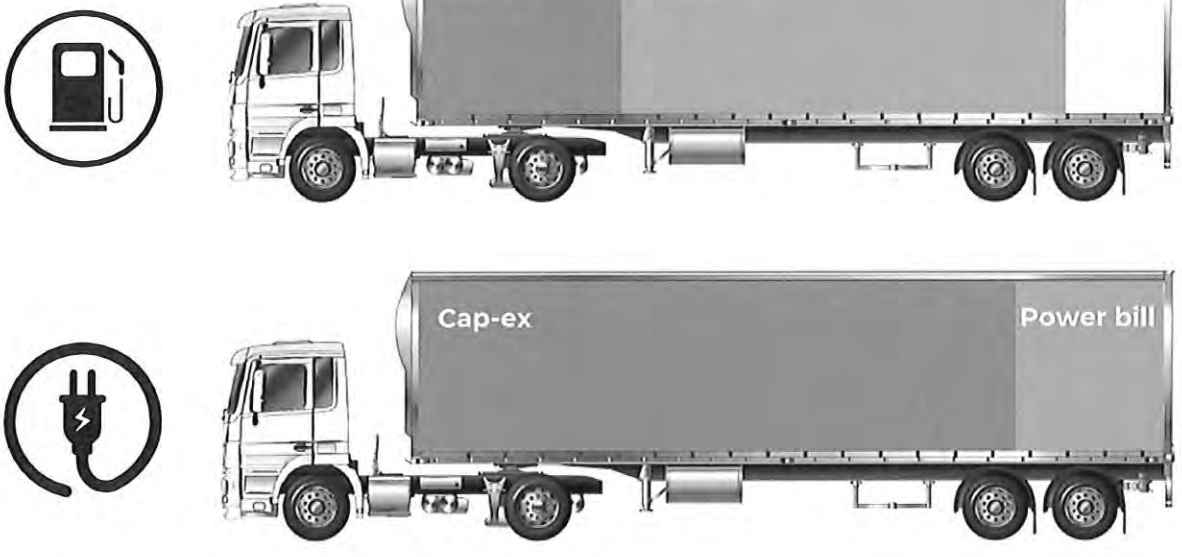


In most freight applications, operators will need to recharge their e-trucks during the day. At current charging speeds, this means **more time off the road**, fewer deliveries and less revenue.

A business case in the balance...

Operators typically evaluate the **Total Cost of Ownership (TCO)** before purchasing new vehicle assets, weighing up initial purchase price, depreciation, insurance, maintenance and refuelling costs over the vehicle's lifetime.

E-trucks typically require far more *capital* outlays but offer lifetime *operational* savings, particularly through lower fuel costs - the direct opposite of diesel:



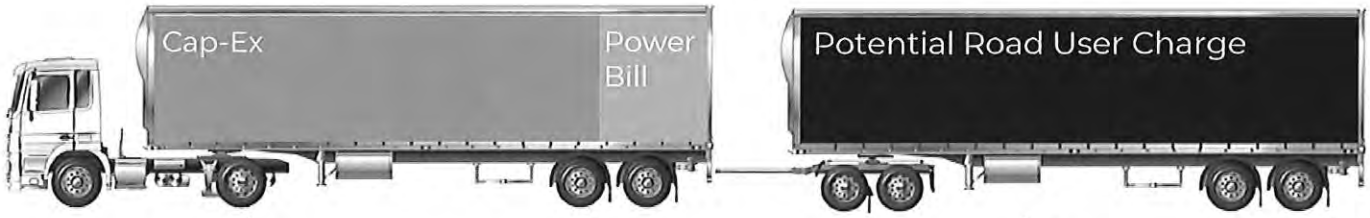
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Impact of a t-RUC

ELECTRIC VEHICLE COUNCIL

Turning strength into a weakness

Any charge that increases the per-kilometre costs of electric trucks (relative to diesel) will negate the main commercial reason for going electric: cheaper running costs.



Policy pulling in different directions

BACKWARDS SUBSIDIES

The current RUC on heavy vehicles is <u>not</u> a per-kilometre charge but the component of the fuel excise not refunded via fuel tax credits; it is a (reduced) **tax subsidy** for burning diesel.

Electric trucks receive no such subsidy. Even after paying the current RUC, diesel trucks still receive more tax breaks than e-trucks do.

ARENA FUNDING

The Government's *Driving the Nation* program is focusing **$100 million in investment** on deployment of heavy vehicles and supporting uptake of BEVs.

A premature tax undermines this investment and risks turning Australia's first generation of e-trucks into its last.

What are the *real* costs of our trucks?

Road infrastructure impacts are just one externality - it is too narrow a measure of road freight's cost to Australian society

Truck noise and curfews **prevent 24/7** freight & supply chains

Apart from reducing community amenity, engine noise restricts operations, increases congestion and damages productivity

Trucks produce **noxious tailpipe emissions** that burden our health system

Pollution from traffic exhaust is associated with around 11,000 deaths per year and linked to childhood asthma

Australia spends **$60 billion per year on diesel**, most of it imported

Diesel trucks need 3-7 times more energy than e-trucks. At any one time, Australia has just 24 days of diesel - an economy-wide risk.

Up to **40% of transport CO2** is due to road freight vehicles

Freight emissions are growing, not shrinking. The climate costs of burning diesel increase every year.

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MO 27-158 - Document 4 Attachment

Industry Reactions

"The Government seems to be doing everything possible to ensure we lose interest in electric trucks...

If we've got all these complications - including a RUC - we will just stick with diesel."

"The proposed per-kilometre tax on electric trucks is the wrong move — right now. Commercial EV uptake is still young. Unlike passenger EVs, it's had few incentives. The TCO gap is real — and an extra tax now could slam the brakes on momentum just as we're hitting our stride.

The industry is already fixing barriers — charging, range, integration — without waiting for policy. We need support to accelerate, not penalties that hold us back."

"I'm not saying no to a Road User Charge, I'm saying it's not the right time to impose it on this segment."

"A Road User Charge must be shaped through meaningful consultation, especially with early adopters of electric commercial vehicles who have bravely led the transition despite significant costs and challenges"

"We do not have momentum, I can show you the numbers - it's only a handful of electric trucks on the road."

"Premature implementation risks slowing the already limited uptake of electric commercial vehicles.

Unlike passenger EVs, the freight sector has received minimal support, and introducing a charge without incentives could undermine Australia's emissions reduction goals."

"They won't generate a lot of revenue but they will generate a lot of political heat"

"Any Road User Charge must consider the broader economic, environmental, and health benefits, not just the loss of fuel excise."

The Electric Vehicle Council has consulted its membership base and found real commercial concern from some of Australia's biggest household names. These businesses have already invested millions in the transition to electric trucks.

The EVC urges Government to take no decision on a t-RUC until a full and thorough consultation with industry is undertaken.

The EVC stands ready to provide briefing directly from our industry members on how a t-RUC will impact their businesses.

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s22(1)(a)(ii)

From: s47F @climateworkscentre.org>
Sent: Tuesday, 19 August 2025 10:01 AM
To: s22(1)(a)(ii)
Cc: s22(1)(a)(ii) @dcceew.gov.au; s22(1)(a)(ii)
Subject: Re: RUC discussion with Climateworks Centre [SEC=OFFICIAL]

You don't often get email from s47F @climateworkscentre.org. Learn why this is important

OFFICIAL

Hi

.

That works for us, thanks for coordinating. Looking forward to meeting you in person then.

If you have any specific questions for us on road user charging, just let us know.

s47F

OFFICIAL

On Mon, 18 Aug 2025 at 18:07, s22(1)(a)(ii) @treasury.gov.au> wrote:

OFFICIAL

Hi s47F

How does 330pm Wednesday 27th sound?

s22(1)(a)(ii)

Senior Advisor | Office of the Hon Jim Chalmers MP | Treasurer

M s22(1)(a)(ii) | E s22(1)(a)(ii) @treasury.gov.au

OFFICIAL

From: s47F @climateworkscentre.org>
Sent: Monday, 18 August 2025 1:43 PM
To: s22(1)(a)(ii) @TREASURY.GOV.AU>
Cc: s22(1)(a)(ii) @dcceew.gov.au; s22(1)(a)(ii) @mo.infrastructure.gov.au>; s47F

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s47F @climateworkscentre.org>
Subject: Re: RUC discussion with Climateworks Centre [SEC=OFFICIAL]

You don't often get email from s47F @climateworkscentre.org. Learn why this is important

OFFICIAL

Just a quick follow up, I think Wednesday afternoon would work for s47F there is a time then that works.

Thanks

s47F

OFFICIAL

On Mon, 18 Aug 2025 at 10:12, s47F @climateworkscentre.org> wrote:

Morning s22(1)(a)(ii) and good to meet you s22(1)(a)(ii)

A meeting with you all works for us. Would you like to suggest some times that are convenient for you all on 25-27 that sitting week?

On Sun, 17 Aug 2025 at 12:05, s22(1)(a)(ii) @treasury.gov.au> wrote:

OFFICIAL

Hi s47F

Thanks for reaching out. I've also looped in our colleague s22(1)(a)(ii) from Minister King's office.

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I'd be happy to meet. Perhaps it can be a meeting with s22(1)(a)(ii) and I at a mutually agreeable time that sitting week you propose?

s22(1)(a)(ii)

Senior Advisor | Office of the Hon Jim Chalmers MP | Treasurer
M s22(1)(a)(ii) @treasury.gov.au

OFFICIAL

From: s47F @climateworkscentre.org>
Sent: Friday, August 15, 2025 12:28 pm
To: s22(1)(a)(ii) @dcceew.gov.au s22(1)(a)(ii) @dcceew.gov.au>; s22(1)(a)(ii) s22(1)(a)(ii) @TREASURY.GOV.AU>
Cc: s47F @climateworkscentre.org>
Subject: RUC discussion with Climateworks Centre

> You don't often get email from s47F @climateworkscentre.org. Learn why this is important

Hi s22(1)(a)(ii)

s47F suggested I reach out to set up time to discuss road user charging. Keen to talk through the many potential benefits for emissions reduction as well as productivity.

My first job in government (possibly when s47F and I were housemates) was in Economic Policy at the Victorian Dept of Infrastructure and my first project was road pricing. It is a powerful reform that we've been talking about for decades - looking forward to starting a conversation.

s47F who heads up our Australian Programs, and I were planning to be in Canberra 25-27 Aug, is there a time then that would work for you to meet?

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s47F

--

s47F | Transport Program Impact Lead

Please note: I currently work Monday to Thursday



M s47F
Es47F @climateworkscentre.org
A Level 8, 750 Collins St, Docklands VIC 3008, Wurundjeri Country
W www.climateworkscentre.org







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We acknowledge and pay respect to the Traditional Owners and Elders of the Wurundjeri people of the Kulin nation on which the Climateworks Centre office is located. More info.

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s47F | Transport Program Impact Lead



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W www.climateworkscentre.org

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s22(1)(a)(ii)

From: Michael Bradley s47F @aaa.asn.au>
Sent: Thursday, 26 March 2026 7:49 PM
To: Solomon, Joseph; s22(1)(a)(ii)
Cc: s47F
Subject: AAA follow up
Attachments: 260326_Keep Australia Moving_Prospectus_Approved.pdf

Hi Joseph, s22(1)(a)(ii)
Hope you're both well.
I know there are many issues afoot, but I wanted to share a copy of the **attached**, which relates to our discussions of last month, and which I described to Catherine when we met last week.

Let me know when you might be free to discuss over the coming weeks.

Regards
Michael

Michael Bradley
Managing Director
Australian Automobile Association

s47F @aaa.asn.au
s47F
s47F
aaa.asn.au

Australian Automobile Association | MEMBER OF FIA

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KEEP AUSTRALIA MOVING

A plan to modernise the cars we drive, the network they use, and how it's funded.

See how it works →

KEEPAUSTRALIAMOVING.COM.AU

EMBARGOED UNTIL 10.00PM 15 APRIL 2026

New campaign to Keep Australia Moving

Australia's leading transport infrastructure advocates are seeking bipartisan support for a plan to modernise the cars Australians drive, the network they rely upon, and the way it's funded.

The Keep Australia Moving campaign is calling for Commonwealth investment in the EV re-charging network needed to overcome the range anxiety stopping motorists switching to EVs, paid for by a fair, distance-based Road User Charge.

AAA Managing Director Michael Bradley said: "Australia needs both the re-charging network and the funding mechanism, and the two cannot be separated.

"Sixty per cent of Australians who want an EV are not buying one because they lack confidence in the re-charging network. That is the problem, and right now there is no alternative funding plan on the table to fix it: not from the Commonwealth, not from the states, not from the market.

"Anyone who says they support a national re-charging network capable of supporting EV uptake, but oppose a Road User Charge needs to ask themselves: 'where else will the money come from?'

Research by Australia's peak motoring body has long shown range anxiety is the structural factor stopping most Australians from switching to an EV, with potential buyers lacking confidence in both the regional re-charging network, and the accessibility and reliability of metropolitan re-charging.

The research finds range anxiety is not just about a lack of confidence in regional re-charging, but also about the inadequacy and unreliability of suburban public re-charging, and the challenges faced by people who live in apartments, or who don't have a garage with a battery or a roof with a solar panel.

Mr Bradley said: "If designed and used properly, a Road User Charge can drive EV adoption, by sustainably funding the re-charging network Australia's next wave of EV drivers wants and needs.

"A fair, distance-based RUC is not a new tax on EV drivers, but a modernisation of the fuel excise that has paid for our roads for decades and which has always been underpinned by the concept that a driver's financial contribution is based upon their use."

The coalition of transport and infrastructure groups is calling on the Commonwealth to commit to a national EV Road User Charge that is guided by principles designed to ensure the charge is fair, distance-based, and at a level that does not disincentivise EV adoption.

See how it works: keepaustraliamoving.com.au

Keep Australia Moving is run by:

Australian Automobile Association · Infrastructure Partnerships Australia · AFMA · AADA · Motor Traders Association of Australia · NRMA · RACV · RACQ · RAA · RAC · RACT · VAANT

MEDIA CONTACT s47F s, s47F s47F @aaa.asn.au

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s22(1)(a)(ii)

From: s47F <s47F @aaa.asn.au>
Sent: Wednesday, 25 March 2026 2:23 PM
To: s22(1)(a)(ii)
Subject: AAA and fuel
Attachments: 260319_Keep Australia Moving_Prospectus.pdf; Jim Chalmers New legislation to double penalties for petrol price misconduct (FED).pdf

You don't often get email from s47F @aaa.asn.au. Learn why this is important

Hello s22(1)(a)(ii),

I hope you are well. This is just a quick note to share some AAA thinking about the current fuel crisis and also share with you a document we are sharing with potential stakeholder partners on EV charging infrastructure/road user charging.

The AAA has been participating in the Government's roundtables on fuel and noted the introduction of legislation today to give more power to the ACCC to enforce misconduct in the fuel sector. We believe that the AAA's Real World Testing Program can help the Government in its current response to the fuel crisis in a similar context. Similar to the extended ACCC powers to ensure that fuel companies are not misleading customers at a time of increased fuel uncertainty, the Government has an opportunity to use the extension of the Real World Test program as a demonstration of its commitment to ensuring car makers are not misleading fleet buyers and families into buying cars/utes/vans that use more fuel than they claim. As you know, the Program is currently funded as a 'Transport Development and Innovation Project' under Part 4 of the *National Land Transport Act 2014*, which is an arrangement that could be extended at any time allowing the Government to build the RWT Program into its fuel response narrative.

I have also attached for your info a prospectus that the AAA has put together for discussion with potential partners to advocate for an EV charging network improvement program to address range anxiety as an impediment to EV take-up, funded by a distance-based road user charge on EVs.

Please feel free to give me a call if you would like to discuss these issues.

Kind regards
s47F

s47F
Director – Advocacy and Engagement
Australian Automobile Association

s47F @aaa.asn.au
s47F
aaa.asn.au

Australian Automobile Association | MEMBER OF FIA

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MO 27-158 - Document 7 Attachment A

KEEP AUSTRALIA MOVING

A plan to modernise the **cars** we drive, the **network** they use, and how it's **funded**.

KEEP**AUSTRALIA**MOVING.COM.AU



19 March 2026

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The problem(s)

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The following three challenges are converging and are set to affect every Australian.

1. **Future EV adoption depends upon significant re-charging network expansion:**

   AAA research shows 60% of Australia's "likely EV buyers" cite range anxiety and charging availability as the number one barrier to purchase (range anxiety is relevant across urban, suburban, and regional settings). While early adopters have been able to utilise home charging, the next wave of EV buyers will more heavily rely upon accessible, reliable public charging. Yet delivering coverage beyond metro/highway corridors is today commercially challenging, and sufficient private sector funding is unlikely.

2. **Road funding is in decline:**

   Fuel excise revenue is falling as vehicles become more fuel efficient, and as EVs and hybrids enter the fleet. As the funding stream that has traditionally maintained and built our roads is in decline; its being provided by a shrinking cohort of drivers; and the Commonwealth has no replacement in sight.

3. **Political deadlock:**

   Voters see an EV Road User Charge as improving both consumer equity and fiscal sustainability, however they also perceived it as a "tax on EVs" with no visible benefit to those who pay it. Without a compelling story about what any new charge delivers, no government will act.

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Our solution

KEEP AUSTRALIA MOVING

These problems require an interconnected solution.

Part 1: Address range anxiety

Build confidence for Australians to go electric by delivering a Commonwealth co-funded EV re-charging network across cities, suburbs and regions, which goes beyond the currently-profitable corridors.

Part 2: Create a sustainable funding model

Introduce a fair, distance-based EV road user charge that replaces fuel excise as the fleet changes, and direct early revenue to building the re-charging network where it's needed, tracked via public reporting.

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These issues cannot be separated

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No RUC, No Network

Without a sustainable funding mechanism, no government can finance the national charging network at scale.

The market alone is unlikely to deliver beyond metro and high-volume regional corridors.

No Network, No EV growth

Without charging confidence, the next wave of Australian EV buyers won't switch.

The re-charging network and the road user charge are structurally interdependent.

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How we make a RUC work for motorists

KEEP AUSTRALIA MOVING

Our principles for an EV Road User Charge are:

1. **Keep it simple:** A distance-based EV road user charge must be simple, with no differential rates applying by time of day, vehicle mass, or location.
2. **Make it national:** The EV Road User Charge must be national – same rate, payment method and program design across the country.
3. **Don't slow down EV uptake:** The rate of the EV Road User Charge should be discounted against the fuel excise rate to ensure it does not disincentivise uptake.
4. **Don't reinvent the wheel:** A Commonwealth EV RUC rate should be set as per the NSW model, with the rate for PHEVs being set at 80% of the rate for BEVs and both rates indexed annually by CPI.
5. **Fill the network's gaps:** We support the use of EV RUC revenue to fund EV re-charging infrastructure, and to support grid augmentation where it is needed to enable charging infrastructure, particularly in areas where it is not commercially viable for this infrastructure to be provided solely by the private sector.
6. **Be time-limited:** Once the national charging network has met agreed performance metrics (levels deemed necessary to relieve range anxiety), the AAA supports EV RUC revenue being used to fund land transport infrastructure construction and maintenance.
7. **Be strategic:** We support the development of a national charging infrastructure roadmap to guide investment decisions.

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How we make a RUC work for motorists

KEEP AUSTRALIA MOVING

Our principles for an EV Road User Charge are:

8. **Be transparent:** The national charging infrastructure roadmap needs to articulate minimum levels of service:
   a. Maximum distance between charging locations
   b. Minimum number of charging locations per registered EV by LGA
   c. Geographical dispersion of EV chargers across Australia
   d. Safety and security considerations for users
   e. Grid augmentation required to support charging infrastructure
   f. Standards for interoperability and uptime Maintenance

9. **Be flexible:** We support investment decisions that address range anxiety, including:
   a. Co-investment with industry to reduce highway and regional charging blackspots
   b. Supporting ultra-fast charging hubs for fleets and heavy vehicles
   c. Embedding charging infrastructure roll-out into regional development and tourism strategies

10. **Protect consumers:** We support a payment mechanism that is digital, simple, low cost and avoids 'bill-shock' for consumers.

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Our objective

KEEP AUSTRALIA MOVING

To raise public and political awareness of the symbiotic relationship between the establishment of a well-designed national EV RUC and a well-funded national re-charging network,

so that:

The Commonwealth in 2027 introduces an EV RUC in line with our principles.

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MO 27-158 - Document 7 Attachment A

Back the plan

KEEP AUSTRALIA MOVING

We're building a coalition of organisations that support a national EV re-charging network funded by a fair, distance-based road user charge. You can back the plan at the level that suits your capacity:

Endorse

- ✓ Agree to be listed as a supporting organisation
- ✓ Receive regular briefings

Advocate

- ✓ Agree to be listed as a supporting organisation
- ✓ Receive regular briefings
- \+ Receive access to research data and strategy sessions
- \+ Promote provided campaign & communications material via your own channels

Champion

- ✓ Agree to be listed as a supporting organisation
- ✓ Receive regular briefings
- ✓ Full access to research data and strategy sessions
- ✓ Provided campaign and communications material for your own channels
- \+ Inclusion in joint lobbying of Government
- \+ Inclusion in campaign governance

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About us

KEEP AUSTRALIA MOVING

Australian Automobile Association

The AAA is the nation's peak motoring body, representing Australia's state-based motoring clubs and their 10 million members.

The AAA is an apolitical and technology-neutral advocate for federal transport policy that improves safety, affordability, and mobility.

NRMA RACV RACQ RAA RAC RACT AANT

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KEEP AUSTRALIA MOVING

A plan to modernise the **cars** we drive, the **network** they use, and how it's **funded**.

KEEP**AUSTRALIA**MOVING.COM.AU



March 2026

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OFFICIAL



The Hon Jim Chalmers MP
Treasurer

MEDIA RELEASE

NEW LEGISLATION TO DOUBLE PENALTIES FOR PETROL PRICE MISCONDUCT

The Albanese Government has introduced new legislation to help consumers get a fair go at the petrol pump with bigger penalties for misconduct including in the fuel sector.

The conflict overseas shouldn't be an excuse to profit off Australians.

We're putting petrol companies on notice. We won't cop big corporates treating Australian consumers like mugs.

We're calling on the Liberals and Nationals to vote for this Bill that will legislate higher penalties for petrol companies that do the wrong thing by Australians.

The Treasury Laws Amendment (Doubling Penalties for ACCC Enforcement) Bill 2026 introduced today doubles penalties for false or misleading conduct and cartel behaviour (to a maximum of $100 million per offence), across the economy.

We had already increased penalties to up to $50 million – five times higher than what they were – and we've given the ACCC more tools, like extending petrol price monitoring powers and the ability to issue on the spot fines.

This legislation will mean even bigger penalties for servos and suppliers that rip off Australian motorists.

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This is on top of all the other action we're taking to address fuel affordability and security:

- Boosting fuel supply by releasing 20 per cent of the baseline Minimum Stockholding Obligation for petrol and diesel.
- Getting more fuels into the market by temporarily amending fuel standards.
- Our work with the ACCC to authorise major suppliers to get fuel where it's needed in the regions and ramp up fuel price monitoring.
- Engaging with international partners to strengthen supply chains and fuel security.

The recent conflict in the Middle East has compounded uncertainty in the global economy and led to significant volatility in oil and petrol prices.

We're not immune from uncertainty and volatility in the global economy, but this action is all about protecting consumers and holding petrol suppliers and retailers to account.

The Albanese Labor Government's priorities in the budget this year are addressing inflation, productivity and global uncertainty, and our work on fairer petrol prices and stronger supply chains is an important part of our efforts.

WEDNESDAY, 25 MARCH 2026

Media contact: Jack Harbour 0408 492 978 | Jack.Harbour@treasury.gov.au

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s22(1)(a)(ii)

From: s47F @aaa.asn.au>
Sent: Thursday, 4 December 2025 4:46 PM
To: Solomon, Joseph; s22(1)(a)(ii)
Cc: Michael Bradley
Subject: RE: AAA follow up [SEC=OFFICIAL]
Attachments: AAA_Research_Memorandum_04112025.docx

Hi again Joseph and s22(1)(a)(ii)
Just following up on our meeting earlier today to send through the research brief that Michael mentioned.
Please feel free to reach out to me or Michael if you have any questions.
Thanks again for making the time to meet with us.
Cheers
s47F

s47F
Chief Operating Officer
Australian Automobile Association
GPO Box 1555
Canberra ACT 2601

Phone s47F
Email s47F @aaa.asn.au

From: Solomon, Joseph s22(1)(a)(ii) @MO.infrastructure.gov.au>
Sent: Monday, 24 November 2025 4:06 PM
To: Michael Bradley s47F @aaa.asn.au>; s22(1)(a)(ii) @MO.infrastructure.gov.au>
Cc: s47F @aaa.asn.au>
Subject: Re: AAA follow up [SEC=OFFICIAL]

OFFICIAL

How about 10-10.30 on Thursday?

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OFFICIAL

From: Michael Bradley s47F @aaa.asn.au>
Sent: Monday, November 24, 2025 3:54:53 PM
To: Solomon, Joseph s22(1)(a)(ii) @MO.infrastructure.gov.au>; s22(1)(a)(ii)
s22(1)(a)(ii) @MO.infrastructure.gov.au>
Cc: s47F @aaa.asn.au>
Subject: RE: AAA follow up [SEC=OFFICIAL]

Hi Joseph
Always happy to work within your constraints and yes – we could make that work.
But we will be in APH Thursday morning with our pollster if you'd like to meet face-to-face.
Would you be interested in seeing us on Thursday at either 10am, 11am, 11.30am, or 12.00pm?

Let me know your preference.

Michael

Michael Bradley
Managing Director
Australian Automobile Association

s47F @aaa.asn.au
s47F

aaa.asn.au

Australian Automobile Association | MEMBER OF FIA

From: Solomon, Joseph s22(1)(a)(ii) MO.infrastructure.gov.au>
Sent: Monday, 24 November 2025 1:29 PM
To: Michael Bradley s47F @aaa.asn.au>; s22(1)(a)(ii) @MO.infrastructure.gov.au>
Cc: s47F @aaa.asn.au>
Subject: Re: AAA follow up [SEC=OFFICIAL]

OFFICIAL

Thanks Michael - that would be good.

How about Wednesday next week - 2pm perhaps?

Joseph

OFFICIAL

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From: Michael Bradley s47F @aaa.asn.au>
Sent: Thursday, November 20, 2025 10:13:49 AM
To: s22(1)(a)(ii) @MO.infrastructure.gov.au>; Solomon, Joseph s22(1)(a)(ii) @MO.infrastructure.gov.au>
Cc: s47F @aaa.asn.au>
Subject: AAA follow up

Morning Joseph s22(1)(a)(ii)

Hope all's well.

I've got a AAA Board meeting today, at which I'll have our pollster s47F present some learnings from some focus groups we've done in recent days to test potential RUC framing & campaign execution options.

I'm wondering whether you'd be interested in a post-sitting week briefing (maybe week of 1 Dec)?

Let me know what's of interest.

Michael

Michael Bradley
Managing Director
Australian Automobile Association

s47F @aaa.asn.au
s47F

aaa.asn.au

Australian Automobile Association | MEMBER OF FIA

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MEMORANDUM

TO: Australian Automobile Association
FROM: s47F Managing Director – Campaigns & Research
DATE: November 2025
RE: EV Road User Charge Campaign — Qualitative Research Summary

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This memorandum summarises the findings from national voter research conducted to assess campaign strategies for the EV Road User Charge (RUC) initiative. The research was designed to substantiate how AAA's proposed policy solution reduces opposition across different audience cohorts, by providing evidence for government and stakeholders that this approach is politically safe, practically workable, and that alternative policy designs risk killing public support for the RUC concept entirely.

The central finding is clear that ***leading with the charging network benefit, followed by the 3c/km RUC as an enabler***, produces the strongest positive response across all audience segments. Both prospective EV buyers and current EV owners align on the core proposition that a comprehensive national charging infrastructure is desirable, and 3c/km is a reasonable contribution to build it.

Critically, the research also identifies what does not work. Complexity in the policy design, such as differential pricing based on region or vehicle type, undermines support by contradicting the foundational "all drivers contribute equally" argument that gives the RUC its political legitimacy. In addition, arguments that highlight division between those that pay excise vs. those that currently do not may get agreement but it doesn't boost support.

How Each Audience Thinks About These Issues

Prospective EV Buyers (Suburban Middle-Aged Men)

The number one hesitation to purchasing an EV among this key persuadable segment is ***range anxiety***. This concern manifests in three distinct ways:

1. **Long trip viability:** Concern about range limitations and charge availability for longer journeys, particularly interstate or regional travel.
2. **Suburban charger scarcity of access:** Worry that insufficient chargers in suburban areas will lead to long queues and extended wait times when they need to charge.
3. **Charging time on the move:** Frustration with the time required to charge a vehicle during travel, compared to the speed of refuelling a petrol/diesel car.

For this audience, the campaign must directly address these practical concerns with credible proof of infrastructure expansion.

Current EV Owners

Current EV owners do not share the same range anxiety concerns, as they are already driving EVs and have adapted their behaviour accordingly. Their perspective on the Road User Charge is fundamentally different and centres on two themes:

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- **Road quality:** They care about the condition and maintenance of roads they drive on daily, especially voters in Melbourne.
- **Fair contribution:** They accept that it is reasonable for all drivers to contribute to the upkeep of roads nationally, particularly as more people switch to EVs. They recognise that the current fuel excise system will become unsustainable as EV adoption grows. Critically, the 3c/km is seen by these drivers as "sensible" and/or "reasonable."

For this audience, the campaign must emphasise fairness, transparency, and the tangible benefits their contribution will fund.

Resolving The Strategic Tension

The campaign must resolve a fundamental tension between two objectives:

1. **Restart EV Uptake in Australia:** The key persuadable segment is suburban, middle-aged men, who identify range anxiety as the number one barrier to purchase. They require proof of reliable charging availability and journey confidence before committing to an EV.
2. **Minimise Political Opposition:** Current EV owners feel penalised for "doing the right thing" and demand transparency regarding costs. They experience uncertainty about cost savings.

The research confirms that both audiences can be brought into alignment when the message architecture positions the charging network as the primary benefit and the 3c/km contribution as the transparent mechanism to deliver it.

Recommended Message Architecture

Primary Message Strategy: *"Better Roads | More Chargers | Fairer System"*

The recommended campaign message is: *"A national EV charging network is coming to Australia. Anywhere, anytime charging backed by a transparent 3c/km contribution from EV drivers."*

Why This Approach Works

- **Addresses the primary purchase barrier directly.** Range anxiety is the dominant barrier to EV adoption. Charging infrastructure ranks in the top-right quadrant of influence on EV purchase decisions.
- **Neutralises current EV owner opposition.** When the network benefit is presented first, support emerges. Leading with the charge triggers immediate resistance.
- **The 3c/km specificity is non-negotiable.** Transparency builds confidence, with credibility scores increasing by +0.9 points when the specific amount is stated versus vague "small amount" language.

The Hypothecation Inference Provides Political Flexibility

A significant strategic advantage of the "network-first, charge-second" framing is that it creates an *inference of hypothecation* without requiring the government to legislatively constrain how RUC revenue is allocated. By leading with the charging network benefit

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and positioning the 3c/km as an enabler of infrastructure, voters naturally assume their contribution will fund chargers and road maintenance, even though no formal hypothecation exists.

This provides government with policy flexibility while delivering the voter reassurance necessary for political acceptance.

However, there is a critical dependency. Voters will need to see tangible delivery of charging infrastructure before they can overcome their range anxiety and restart EV purchasing. The inference of hypothecation buys political permission for the RUC, but that permission is conditional on visible progress. If the charging network does not materialise, the implied political promise will be perceived as broken, and opposition to the RUC will intensify.

This finding has direct implications for implementation sequencing. Early, visible investment in charging infrastructure, particularly in suburban areas where the key persuadable demographic lives, is essential to sustaining support for the charge over time.

Audience-Specific Messaging

Prospective EV Buyers (Suburban Middle-Aged Men): This demographic represents the key persuadable segment for restarting EV uptake, with range anxiety as their dominant concern. Lead with the comprehensive charging network eliminating range anxiety. Key proof points include maps showing coverage and the "anywhere, anytime" promise. Priority channels are digital and out-of-home advertising near dealerships in suburban locations where this audience lives and shops.

Current EV Owners: Emphasise fair contribution building infrastructure they will use, with full transparency on the 3c/km rate. Key proof points include cost comparison to fuel excise and network expansion timelines. Priority channels are trusted EV owner forums, email, and owned channels.

General Public: Message that all drivers contribute to roads and EVs are now paying their fair share. Key proof points include fuel excise context and road maintenance needs. Priority channels are broadcast, social media, and news media.

Why Policy *Complexity* Undermines Support

A critical finding for policymakers and stakeholders considering alternative RUC designs is that **complexity kills voter support.**

The research tested responses to more sophisticated policy variations, including differential pricing based on region, vehicle weight, or road type. These approaches, while potentially appealing from a technical or revenue-optimisation perspective, fundamentally undercut the argument that sustains public acceptance of the RUC.

The political legitimacy of the Road User Charge rests on a simple, powerful proposition. ***All drivers contribute equally to road infrastructure.*** When differential pricing is introduced, this foundational argument collapses. Audiences immediately perceive the system as unfair, inconsistent, confusing, or designed to extract maximum revenue rather than fund shared infrastructure.

Specific findings on complexity:

- Regional pricing differentials trigger immediate resistance, particularly among regional and suburban audiences who perceive they are being penalised for where they live.

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- Variable rate structures undermine the transparency that is essential to securing current EV owner support. The 3c/km flat rate succeeds precisely because it is simple and predictable and below the level of excise.
- Tiered or conditional charges introduce perceived unfairness that erodes the *"we're all in this together"* sentiment required for political viability.

Proposals that introduce pricing complexity, however well-intentioned from a policy design perspective, risk destroying the coalition of support that a simple, transparent, universal charge can build. The research strongly indicates that alternative approaches will not merely underperform; they will actively generate opposition that poisons the broader RUC concept.

National vs. State Implementation

The research indicates that voters believe the federal government is better positioned to implement both a national solution to range anxiety and a national road user charge. State-based approaches are perceived as vulnerable to regional and local political interests that will compromise effective delivery.

Voters express concern that state governments lack the capacity and coordination to deliver a charging network where it is actually needed for Australian drivers. A patchwork of state-level schemes risks creating inconsistent coverage, leaving gaps in regional and interstate corridors where range anxiety is most acute.

Positioning the RUC and charging network as a national initiative under federal leadership enhances credibility and voter confidence in delivery.

Conclusion & Recommendation

The qualitative research strongly supports a "network-first, charge-second" campaign strategy. The message works best as *"Imagine you could charge your EV anywhere, anytime. With road user charging, EV owners pay a small amount (less than 3c per kilometre) to fund and build a better charging network Australia-wide."* The tested concept demonstrates that framing the RUC as an enabler of infrastructure investment rather than as a tax effectively bridges the needs of prospective buyers (who need reassurance on charging availability) with current owners (who demand fairness and transparency).

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s22(1)(a)(ii)

From: s22(1)(a)(ii)
Sent: Monday, 16 March 2026 4:29 PM
To: s47F
Cc: s47F
Subject: RE: RUC reseach

Hi s47F

It was good to chat and thank you for sharing the slides.

Cheers

s22(1)(a)(ii)

From: s47F @evc.org.au>
Sent: 16 March 2026 11:36
To: s22(1)(a)(ii) @mo.infrastructure.gov.au>; s22(1)(a)(ii) s22(1)(a)(ii) @mo.infrastructure.gov.au>
Cc: s47F @watershedchange.co>; s47F @icloud.com>
Subject: RUC reseach

Hi s22(1)(a)(ii), thanks for your time last week on the RUC behavioural research. Please see attached the deck that we presented.

Thanks,

s47F

Head of Legal, Policy and Advocacy | Electric Vehicle Council

---

M: s47F | Melbourne-based

E: s47F @evc.org.au | **W:** www.electricvehiclecouncil.com.au

ELECTRIC VEHICLE COUNCIL

Book time to meet with me

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MO 27-158 - Document 9 Attachment

EV Uptake & Tax Policy

Behavioural research by Prof. Simon Jackman I n = 3,613 I December 2025

Prepared by Watershed for the Electric Vehicle Council

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MO 27-158 - Document 9 Attachment

ABOUT THE RESEARCH

The most comprehensive behavioural research on road user charges and EV uptake in Australia

What we did

Surveyed 3,613 adult car owners online in December 2025, with quotas for age, gender, metro/non-metro and state. We asked how much they drive, validated their estimates against BITRE data (strong match), and showed each person a personalised road user charge based on their actual driving at 3c/km.

Why it matters

Some interest groups assert without evidence that RUCs can be imposed without impact on EV uptake. This is the most detailed behavioural research on that question. Respondents were shown an exact dollar figure for their RUC (avg. ~$350/year at 3c/km), not a hypothetical. We then measured how it changed their EV purchase intentions. No other published research on this question matches the sample size, rigour or detail.

Prof. Simon Jackman

Data and political scientist. PhD University of Rochester. Professorial appointments at University of Chicago and Stanford (1997–2016). CEO and Professor, US Studies Centre, University of Sydney (2016–2022). Elected fellow of the American Academy of Arts and Sciences and the Academy of the Social Sciences in Australia.

3c/km

Reflects approximately the NSW trajectory. We believe this is too high — the McKell Institute's analysis suggests 1.7c/km or below to ensure EVs pay no more than petrol vehicles.

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MO 27-158 - Document 9 Attachment

WHO WANTS TO BUY AN EV?

38% of car owners say they're likely to buy an EV

Top interest and deliveries are outer suburbs: Rouse Hill, not Surry Hills.

The buyer profile

Outer-suburban working families. Average driving: 226 km/week.

Why they want EVs

Environment (40%)

Petrol savings (37%)

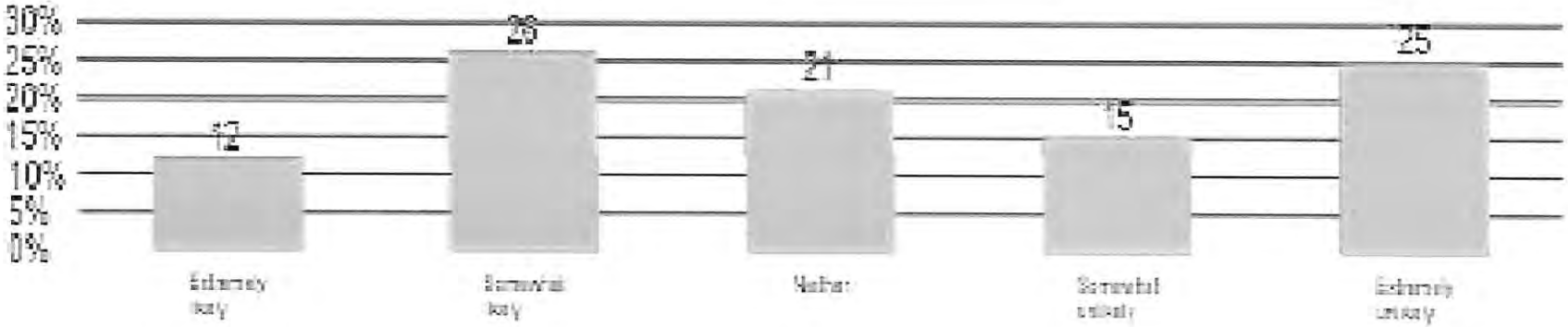
Government incentives (17%)

What holds them back

EVs cost more upfront (33%)

Not enough recharging (25%)

Limited range (24%)



Source: Jackman (2026), Tables 2–4, Figure 1. n = 3,613.

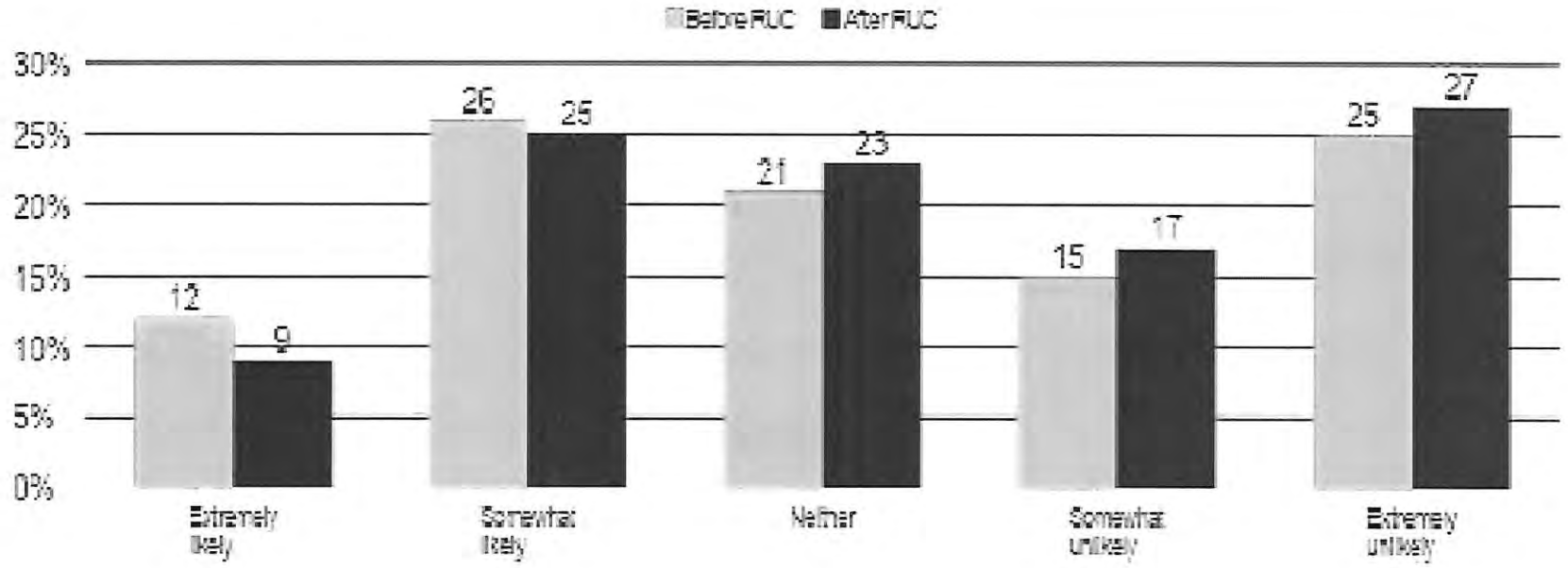
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THE RUC IMPACT

After seeing their RUC impact at 3c/km, 28% of likely buyers are deterred

Each respondent was shown an exact dollar figure for the annual RUC they would face, based on how much they actually drive.



Source: Jackman (2026), Table 2 & cross-tabulation. n = 3,613.

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GEOGRAPHIC VARIATION

Suburban families most deterred by EV RUC

Retention rate = % of initially-likely buyers who remain likely after seeing their personalised RUC.

Area type	EV loss
Wealthy urban	~20%
Middle suburban	~28%
Outer suburban	~30%
Regional / rural	~33%
High-professional postcodes	~22%
High trade and vocational postcodes	~32%

Source: Jackman (2026), Figure 7, Section 10.5. Postcode-level ALE mapping.

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APPENDIX: SYDNEY DETERRENCE MAP

Greater Sydney — EV purchase retention by postcode



Darker green = lower impact of RUC on EV purchase intention

Electorates where RUC is strong EV deterrent

McMahon
Blaxland
Watson
Greenway
Werriwa
Fowler
Lindsay
Chifley

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THE COMBINED RISK

Cutting Electric Car Discount + new EV RUC = lower uptake, particularly in suburbs.

Upfront cost is barrier #1
The majority of outer-suburban EV buyers access EVs through novated leases and the FBT exemption. That's how they get past the cost barrier.

Running costs are the #1 motivation
Saving on fuel is why people switch. A RUC directly erodes this benefit.

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WHAT PEOPLE THINK

Most accept EVs should contribute to road funding.

But they think EVs should pay significantly less than petrol vehicles.

We presented the strongest case on both sides of the argument. The strongest:

- reducing pollution, and
- reducing dependence on foreign oil.

~85% believe EVs should receive some RUC discount vs petrol.

Mean discount nominated: ~41%.

Source: Jackman (2026), Figure 4, Table 10, Section 11.

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WHAT'S NEXT

Three further pieces of evidence coming

McKell Institute

Petrol vehicles and hybrids are becoming more fuel-efficient, so they're paying less fuel excise over time. For EVs to pay the same or less than petrol cars per km, the RUC needs to be set below 1.7c/km — roughly half of what's currently being discussed.

Victoria precedent

Victoria's road user charge depressed EV uptake. Melbourne fell behind Sydney and Brisbane (both general public and rideshare) and has not recovered since.

Rideshare driver research

A large-sample study of rideshare drivers is underway now with Uber data. Rideshare drivers are outsized in importance (high kilometres.

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Appendix

Detailed research data from
Prof. Simon Jackman's behavioural study

Road User Charges and EV Purchase Intentions in Australia, February 2026

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APPENDIX: METHODOLOGY

Sample composition & research design

Parameter	Detail
Sample size	n = 3,613 adult Australian car owners
Fieldwork	December 2025, online panel
Eligibility	Must own or regularly use a car
Quotas	Age, gender, metropolitan/non-metropolitan, state
Driving validation	Self-reported driving distances validated against BITRE national estimates (strong match)
RUC treatment	Each respondent shown personalised annual RUC based on their actual reported driving at 3c/km
Average RUC shown	~$350/year (mean 226 km/week × 52 weeks × $0.03/km)
Measurement	EV purchase intentions measured before and after seeing personalised RUC figure
Researcher	Prof. Simon Jackman — PhD Rochester, Stanford (1997–2016), US Studies Centre Sydney (2016–2022)

Source: Jackman (2026), Sections 2–4.

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APPENDIX: ARGUMENTS FOR & AGAINST EVs

Why people want EVs — and what holds them back

Respondents who do not currently own/lease an EV (n = 3,425)

Table 2: Arguments FOR purchasing/leasing an EV

Argument	% citing
Better for the environment	**40%**
Electricity costs less than petrol	**37%**
Government rebates and incentives	17%
Cheaper to maintain	14%
Better technology / performance	12%
Quieter driving experience	5%

Table 3: Arguments AGAINST purchasing/leasing an EV

Argument	% citing
EVs cost more upfront	**33%**
Not enough recharging infrastructure	**25%**
Limited driving range	**24%**
Uncertain about battery lifespan / replacement	20%
Resale value concerns	11%
Don't trust the technology yet	9%

Cost dominates both sides: saving on fuel is the #1 motivation, upfront price is the #1 barrier. The FBT exemption (novated lease pathway) directly addresses the upfront cost barrier.

Source: Jackman (2026), Tables 2-3. Multiple responses permitted. Top responses shown.

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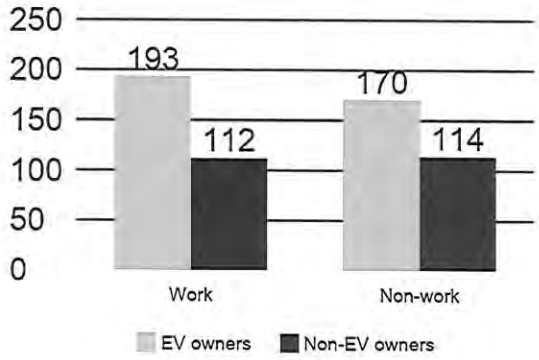
APPENDIX: EV USERS vs NON-EV USERS

EV owners drive further and are motivated by running costs

EV owners (n = 188) report substantially more driving than non-EV car owners (n = 3,425), and are significantly more focused on fuel cost savings.

Weekly driving distances

	Work (km/wk)	Non-work (km/wk)	Total (km/wk)
EV owners	193	170	363
Non-EV owners	112	114	226
Difference	+72%	+49%	+61%



What motivates the switch to EVs

Reason for considering an EV	EV owners	Non-EV owners
Electricity costs less than petrol	47%	36%
Better for the environment	36%	40%
Government incentives/rebates	8%	17%

Key implication

EV owners drive 61% further and are much more motivated by running cost savings. A RUC directly erodes the #1 reason actual EV owners chose to switch.

Source: Jackman (2026), Sections 5 & 6.1. EV owners n = 188, non-EV owners n = 3,425.

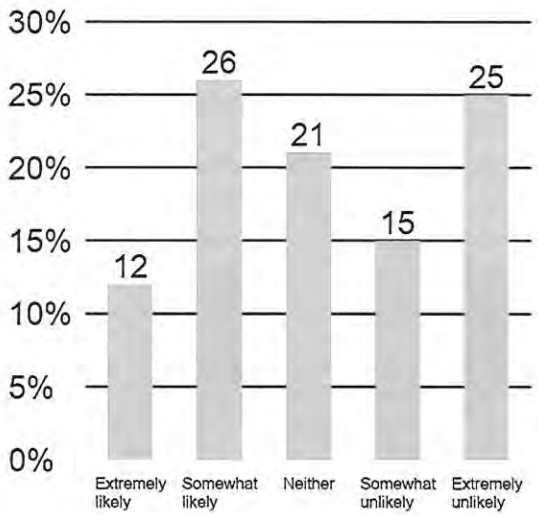
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APPENDIX: PURCHASE INTENTIONS

EV purchase intentions before road user charge

Response	% of sample	n (approx.)
Already own/lease an EV	5.1%	~185
Extremely likely to purchase/lease	**12.0%**	**~434**
Somewhat likely	**26.2%**	**~947**
Neither likely nor unlikely	20.7%	~748
Somewhat unlikely	15.2%	~549
Extremely unlikely	25.0%	~904



38.2% of non-EV car owners say they are likely to buy or lease an EV
This is broadly consistent with other surveys and with observed EV market growth trajectories.

Source: Jackman (2026), Table 4, Figure 1. n = 3,613.

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APPENDIX: DRIVING DISTANCES

How far people drive — and what a RUC means in dollars

Respondents estimated their weekly driving for work and personal use. Aggregate estimates closely match BITRE national data.

User type	Mean km/week	Approx. annual RUC at 3c/km
Non-EV car owners	226 km	~$352/year
Current EV owners	242 km	~$377/year
Low-km drivers (<100 km/week)	~75 km	~$117/year
High-km drivers (400+ km/week)	~500 km	~$780/year

BITRE validation

The Bureau of Infrastructure and Transport Research Economics (BITRE) publishes national estimates of vehicle-kilometres travelled. Our sample's self-reported driving distances closely match BITRE figures when aggregated to the national level, giving high confidence that the personalised RUC amounts shown to respondents are realistic.

Personalised RUC calculation: Each respondent's reported weekly driving × 52 weeks × $0.03 = annual road user charge. This was displayed as a specific dollar amount before asking post-RUC purchase intentions.

Source: Jackman (2026), Table 5, Section 5. BITRE estimates from Statistical Report 2024.

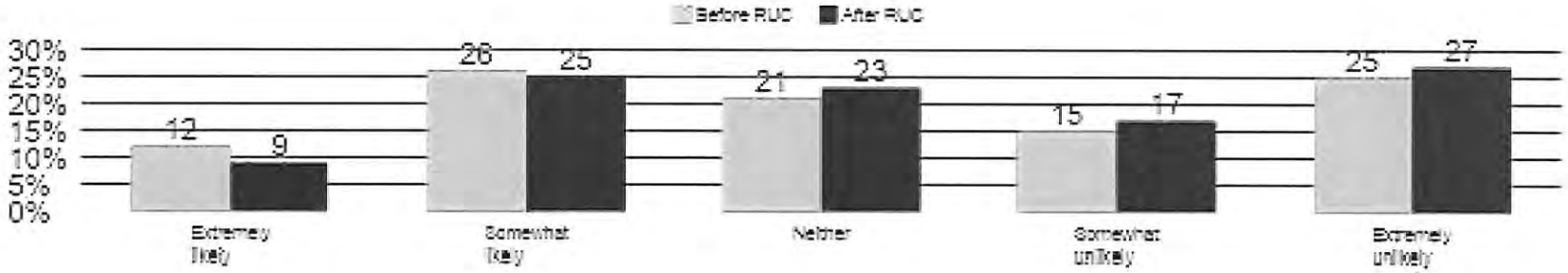
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APPENDIX: BEFORE & AFTER RUC

How purchase intentions shift after seeing a personalised RUC

Purchase intention	Before RUC	After RUC	Change
Extremely likely	12.0%	8.7%	−3.3 pp
Somewhat likely	26.2%	24.6%	−1.6 pp
Neither	20.7%	22.8%	+2.1 pp
Somewhat unlikely	15.2%	17.1%	+1.9 pp
Extremely unlikely	25.0%	26.9%	+1.9 pp
Total likely	38.2%	33.3%	−4.9 pp net



Source: Jackman (2026), Tables 6–7, cross-tabulation of pre/post RUC intentions. n = 3,613.

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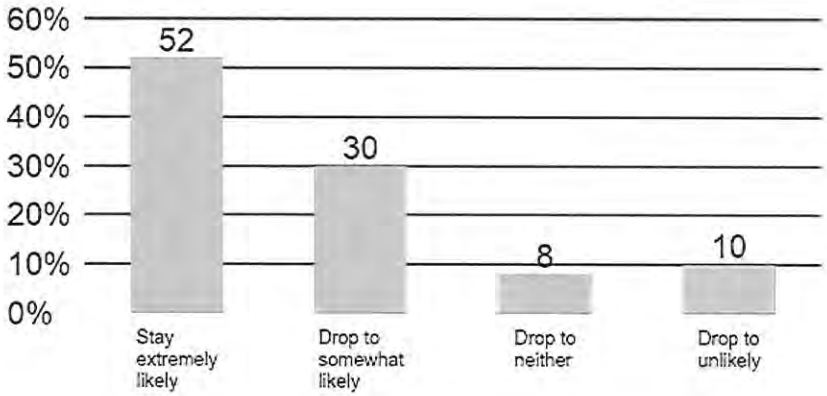
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APPENDIX: THE ENTHUSIASTS

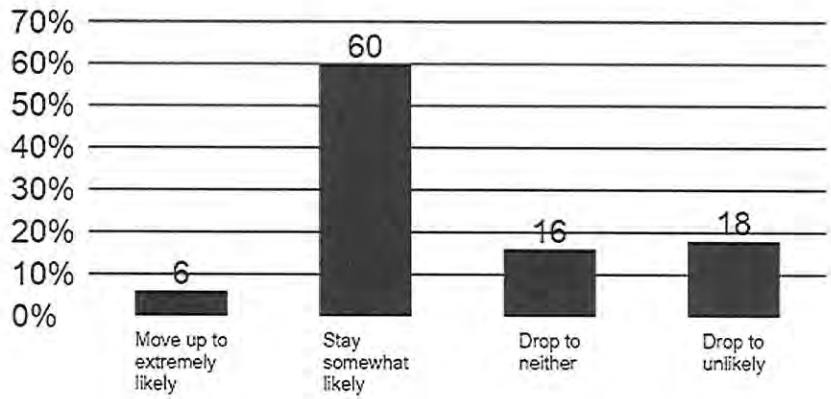
The RUC halves the number of committed EV buyers

Transition matrix: where do initially-likely buyers end up after seeing their personalised RUC?

Of those initially "extremely likely" to buy an EV:



Of those initially "somewhat likely":



Only half of the most committed EV buyers maintain their enthusiasm after seeing a personalised RUC.
One in three "somewhat likely" buyers has their likelihood diminished. These are the swing buyers — the people the transition depends on converting.

Source: Jackman (2026), Table 6 transition matrix. n = 3,613.

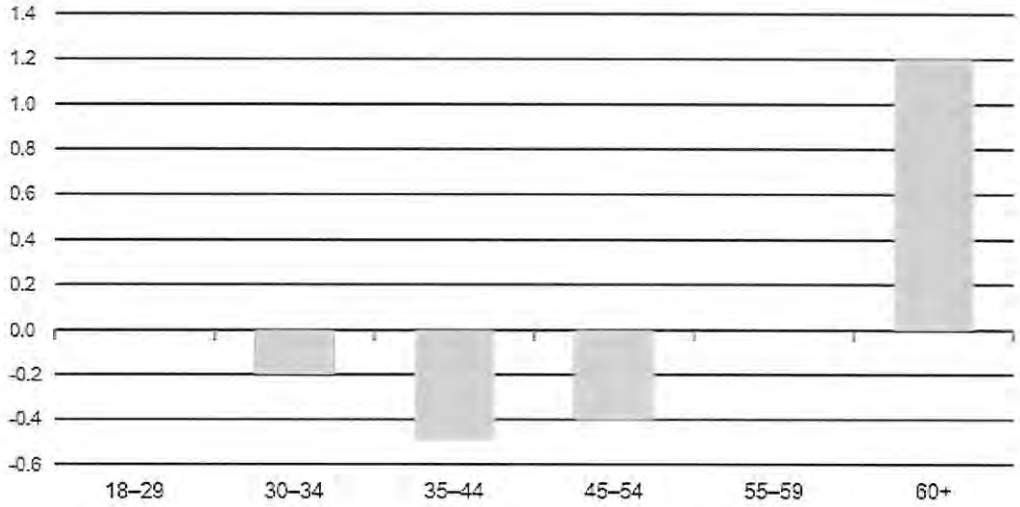
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APPENDIX: AGE EFFECT (FIGURE 3)

Working-age families are most deterred — over 60s are barely affected

Accumulated Local Effects (ALE) analysis shows how respondent age predicts deviation from average EV purchase retention after seeing a personalised RUC.



Most deterred: Ages 35–54

These are working families with mortgages, children, and tight budgets. Fuel savings are a major reason they consider EVs.

Least deterred: Ages 60+

Older, wealthier buyers with greater capacity to absorb costs. They drive less and are less price-sensitive. The RUC barely changes their plans.

The RUC selectively deters the age group that forms the next wave of EV adoption — while leaving the demographic least important to EV market growth essentially unaffected.

Source: Jackman (2026), Figure 3, Section 10.1. ALE analysis from boosted regression model. n = 3,613.

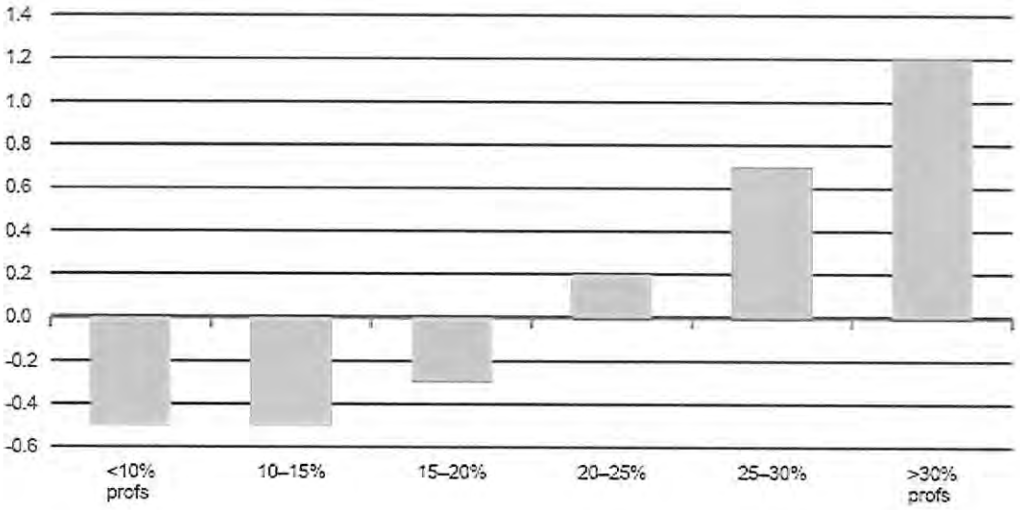
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APPENDIX: OCCUPATION EFFECT (FIGURE 5)

Blue-collar communities are more deterred — professional areas less so

ALE analysis: how the share of professional occupations in a respondent's postcode predicts deviation from average retention.



Most deterred: <20% professionals

Postcodes with more trades, vocations and non-professional workers. These communities are more cost-sensitive and the RUC looms larger.

Least deterred: >25% professionals

Wealthier postcodes with higher shares of professional workers. More capacity to absorb costs. These are the inner-city seats — Wentworth, Kooyong territory.

The distributional pattern is clear: the RUC is most effective at deterring EV uptake in working-class communities. The people with the most to gain from cheaper transport are the ones most discouraged.

Source: Jackman (2026), Figure 5, Section 10.3. Professional occupations as share of postcode population (ABS Census).

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APPENDIX: SYDNEY DETERRENCE MAP

Greater Sydney — EV purchase retention by postcode



Darker green = RUC is less of a deterrent to EV adoption

Electorates where RUC is strong EV deterrent

McMahon (western Sydney)
Blaxland (Bankstown)
Watson (south-western Sydney)
Greenway (Blacktown/Hills)
Werriwa (south-west)
Fowler (south-west)
Lindsay (outer west)
Chifley (outer west)

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APPENDIX: MELBOURNE DETERRENCE MAP

Greater Melbourne — EV purchase retention by postcode



Electorates where RUC is strong EV deterrent

Hotham (Clayton/Oakleigh)
Deakin (outer east)
Gorton (outer west)
Calwell (outer north)
Scullin (outer north)
Holt (outer south-east)
Bruce (outer south-east)
McEwen (outer north)

Source: Jackman (2026), Figure 7. Victoria's previous RUC already depressed uptake relative to Sydney/Brisbane.

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APPENDIX: BRISBANE DETERRENCE MAP

Greater Brisbane — EV purchase retention by postcode



Source: Jackman (2026), Figure 7.

Electorates where RUC is strong EV deterrent

Rankin (outer south / Logan)
Dickson (outer north)
Bonner (middle suburban)
Forde (outer south / Logan)
Petrie (outer north)
Oxley (south-west)
Moreton (inner south)
Lilley (inner north)

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APPENDIX: PERTH DETERRENCE MAP

Greater Perth — EV purchase retention by postcode



Electorates where RUC is strong EV deterrent

Moore (northern suburbs)
Cowan (outer north)
Hasluck (outer east)
Brand (Rockingham/Kwinana)
Pearce (outer north-east)

Source: Jackman (2026), Figure 7. Interactive map: evc2025.netlify.app

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DETERRENCE BY DEMOGRAPHICS

Which groups are most and least deterred by a RUC?

Predictive model using Accumulated Local Effects (ALE) analysis. Shows which respondent characteristics most strongly predict being deterred.

Factor	Most deterred	Least deterred
Age	30–40 year olds	60+ year olds
Income	Lower-income households	Higher-income households
Location	Outer-suburban postcodes	Wealthy inner-urban postcodes
Driving distance	Moderate drivers (150–250 km/week)	Very high-km drivers (400+ km/week)
Occupation	Non-professional workers	Higher share of professionals in postcode
Electorate examples	**Greenway, McMahon**	**Wentworth**

Key insight: The RUC disproportionately deters the price-sensitive, cost-of-living-focused buyers who are now the growth segment for EVs. Very high-km drivers are a counterintuitive exception — their petrol savings are so large that the net benefit of switching remains positive even with a charge.

Source: Jackman (2026), Figures 2–9, Section 10 (ALE analysis from boosted regression model).

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APPENDIX: RUC DISCOUNT EXPERIMENT

Should EVs pay less? The arguments tested

Respondents were shown the strongest argument FOR a full road user charge, then one of three counter-arguments for a discount. They then nominated a discount rate (0–100%).

Argument FOR full RUC (shown to all): "Some people say that a road user charge should be set so electric vehicles are paying the same amount as the typical petrol vehicle pays via fuel excise tax; that is, everyone who uses the roads should be paying taxes at roughly the same level."

Sovereignty

"Others say that electric vehicles should pay less because they are powered by Australian-made electricity, reducing our reliance on foreign fuel, improving Australia's national security and independence."

Zero pollution

"Others say that electric vehicles should pay less because they produce none of the harmful pollutants produced by petrol or diesel vehicles, and so should be encouraged."

Emissions targets

"Others say that electric vehicles should pay less because they are helping Australia reach its greenhouse gas emissions targets, and so should be encouraged."

Source: Jackman (2026), Section 11. Each respondent randomly assigned one counter-argument.

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APPENDIX: DISCOUNT RESULTS

People think EVs should pay ~41% less than petrol vehicles

Distribution of nominated RUC discounts by counter-argument. ~85% want some discount; ~15% say EVs should pay the same as petrol cars.

Counter-argument	Mean discount	0% discount (full RUC)	<50% discount	>50% discount	100% discount (no RUC)
Sovereignty	41.1%	14.3%	55.7%	36.4%	6.0%
Zero pollution	40.9%	14.3%	56.4%	33.1%	4.8%
Emissions targets	40.0%	15.4%	56.2%	34.5%	5.8%

Key findings from the discount experiment

Consistent across all three arguments: The mean nominated discount is ~41% regardless of which public good argument is used. This suggests people have a settled view that EVs should contribute to roads but at a meaningfully lower rate.

Only ~15% think EVs should pay the full rate. The vast majority believe there should be some recognition that EVs deliver public benefits that justify a lower charge.

McKell Institute cross-reference: A 41% discount on 3c/km = ~1.8c/km, very close to the McKell Institute's independent finding that the RUC should be set below 1.7c/km to ensure EVs pay no more than the declining effective excise on petrol vehicles.

Source: Jackman (2026), Table 10, Figure 8, Section 11.

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MO 27-158 - Document 9 Attachment

Sources & references

Primary research

s47F (2026). Road User Charges and EV Purchase Intentions in Australia.
Behavioural study, n = 5,615 adult car owners. December 2025.
Commissioned by the Electric Vehicle Council with philanthropic funding via Watershed.

Other references

McKell Institute — Analysis of effective fuel excise rates and equivalent RUC thresholds.
BITRE — Statistical Report on vehicle-kilometres travelled (2024).
Victoria EV road user charge — Introduced 2021, struck down by High Court 2023.

Contact

s47F | Co-Director, Watershed | s47F @watershedchange.co
s47F Electric Vehicle Council

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s22(1)(a)(ii)

From: s22(1)(a)(ii)
Sent: Thursday, 20 August 2026 3:47 PM
To: Michael Bradley
Cc: s22(1)(a)(ii)
Subject: RE: AAA follow up

Hi Michael

Thanks for your time on Tuesday.

s22(1)(a)(ii) Ccd) and I are available to catch up on the afternoon of Tuesday 1 September. Is there a time that afternoon that works best for you?

s22(1)(a)(ii)

I hope you have a nice break.

Cheers

s22(1)(a)(ii)

From: Michael Bradley <Michael.Bradley@aaa.asn.au>
Sent: 18 August 2026 12:42
To: s22(1)(a)(ii) @mo.infrastructure.gov.au>
Subject: AAA follow up

Hello s22(1)(a)(ii)

Thanks for your time earlier (and welcome back).

I'd appreciate the opportunity to discuss the following items. Please let me know if there's a time in the week of 31 August when you might be free to discuss.

1.

2.

3. Issues associated with Road User Charging.

Look forward to speaking.

Regards
Michael

Michael Bradley
Managing Director

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Australian Automobile Association

s47F @aaa.asn.au
s47F

aaa.asn.au

Australian Automobile Association | MEMBER OF FIA

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AUSTRALIAN TRUCKING ASSOCIATION

The Hon Catherine King MP
Minister for Infrastructure, Transport,
Regional Development and Local Government
Parliament House
Canberra ACT 2600

Dear Minister

Freezing the road user charge at 16.4 cents per litre for an additional month

The Australian Trucking Association is a united voice for our members on trucking issues of national importance. Through our 13 member associations, we represent the 60,000 businesses and 200,000 people who make up the Australian trucking industry.

I am writing to you on behalf of the ATA about the scheduled restoration of fuel excise and the road user charge to their pre-war levels on 3 August. The fuel excise change will also include its August CPI adjustment, following the discussions in June between the ATA and the Government, including your office.

The ATA supported the Government's stepped approach to restoring fuel excise and the road user charge to their normal levels, because—

- the stepped approach mitigated the spike in demand that would have occurred in the last week of June
- it softened the impact of the full increase in the effective fuel tax paid by trucking businesses
- it provided the Government with some flexibility to assess the results of the US-Iran negotiations under the 60 day ceasefire.

While the ATA hoped for a return to more stable conditions, we believe that the second step of the fuel excise/RUC phase-in must be reconsidered given international events since the Government announced its plan on 21 June. In particular—

- the ceasefire has collapsed. Iran has resumed its attacks on neutral shipping in the gulf and the US is blockading vessels bound for or leaving Iranian ports
- the rebel Houthis in Yemen have announced a blockade of ships carrying Saudi oil exports from its west coast port, Yanbu. Oil tankers destined for China and India have started diverting to the Suez Canal
- Russia has halted diesel exports following Ukrainian drone attacks on its refineries.

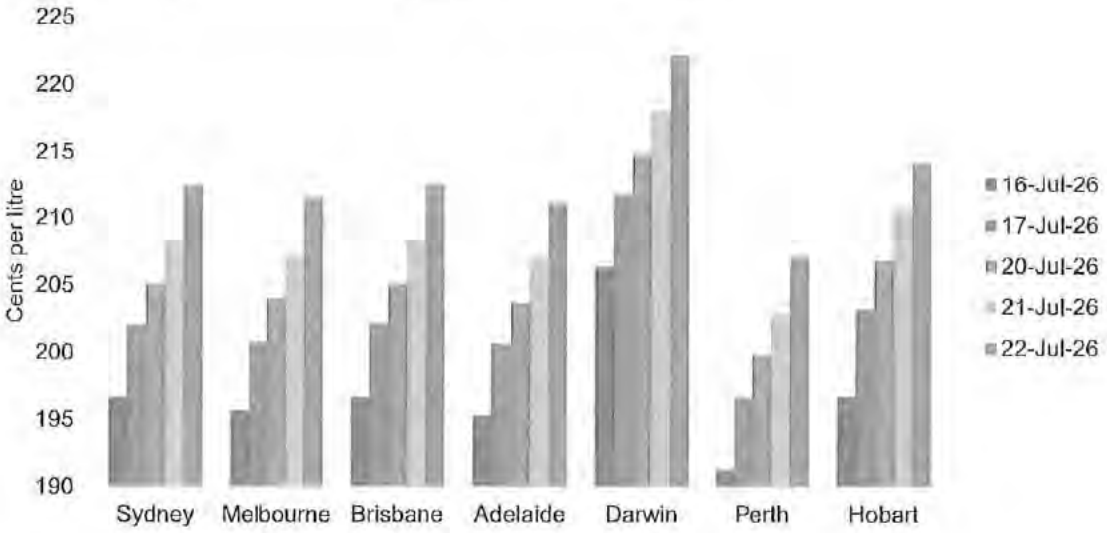
It is not surprising the weekly national average terminal gate price of diesel increased from 181.7 cents per litre in the week ending Friday 10 July to 191.0 cents per litre in the week ending Friday 17 July.

25 National Circuit, Forrest ACT 2603
P 02 6253 6900 E ata@truck.net.au W www.truck.net.au ACN 055 583 714 ABN 25 055 583 714

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Fuel prices have continued to increase this week. The daily average diesel terminal gate prices for the week to Wednesday 22 July is charted below.

Daily average diesel terminal gate prices (inc GST)



Source: AIP.

Accordingly, the ATA recommends that **the road user charge be held at its present level, 16.4 cents per litre, until 31 August 2026**, with a review late in August into whether the discount should be further extended.

There is also a case for extending the current fuel excise discount, but it is not realistically possible to recall Parliament in the week of Monday 27 July to pass the necessary legislation.

Trucking was in a precarious position before the war. The Government's fuel relief measures have saved many businesses, but the challenging circumstances persist and are worsening again. We thank the Government for its responsiveness so far and seek your support as the crisis continues.

ATA contact

I can be contacted at s47F @truck.net.au or on 02 s47F

Yours sincerely

s47F

Chief Executive Officer

22 July 2026

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The Hon Catherine King MP

Minister for Infrastructure, Transport, Regional Development and Local Government
Member for Ballarat

Ref: MC26-010258

s47F
Chief Executive Officer
Australian Trucking Association
25 National Circuit
FORREST ACT 2603

via: s47F @truck.net.au

Dear s47F

Thank you for your correspondence of 15 June and 22 July 2026 regarding fuel excise and the heavy vehicle Road User Charge (RUC).

I again want to acknowledge the Australian Trucking Association's (ATA's) strong advocacy on behalf of its members and thank you for providing your expertise to help ensure the sector continues to operate during the crisis in the Middle East.

As you are aware, the Australian Government extended the fuel relief package for a further month to 2 August 2026. From 1 July 2026 to 2 August 2026, fuel excise is reduced to 36.6 cents per litre. The heavy vehicle RUC is reduced by 16 cents per litre for this period.

The extension of temporary fuel relief built on several other measures the government has introduced which support the heavy vehicle sector, including:

- the $2.9 billion package to more than halve fuel excise and reduce the heavy vehicle RUC to zero for three months from 1 April 2026 to June 2026;
- the $1 billion Economic Resilience Program under the National Reconstruction Fund providing zero-interest loans to eligible SMEs, including heavy vehicle operators;
- Australian Tax Office support measures, including extended debt repayment arrangements for businesses facing fuel-related financial pressures; and
- the Fair Work Commission (FWC) Road Transport Contractual Chain Order – Fuel Cost Recovery (the contractual chain order). The contractual chain order set obligations on parties in road transport contractual chains to regularly adjust the rates they pay for road transport work to reflect changes in fuel prices.

I appreciate the ATA seeks an additional extension to the fuel relief, however, these measures were designed to be temporary. While the RUC will revert to its usual rate on 3 August 2026, I have not yet made a decision about the scheduled increase in January 2027, and the Government will keep the broader fuel supply and cost situation under constant assessment.

PO Box 6022 Parliament House, Canberra ACT 2600 | Tel: (02) 6277 7520

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I also note the contractual chain order obligations ceased on 7 June 2026 following the weekly average national terminal gate price for diesel falling below $2 per litre. However, the order remains in operation, and the FWC will further review the order by holding a hearing on 26 August 2026.

I encourage the ATA to provide feedback on how coverage of the contractual chain order could be clarified (such as a threshold to reactivate the obligations) as part of this review process. Further details are available at www.fwc.gov.au/hearings-decisions/major-cases/twu-artio-application-road-transport-contractual-chain-order-fuel.

The Government remains committed to supporting the heavy vehicle sector and will continue to closely monitor the situation. Thank you, again, for the ATA's strong advocacy for the trucking industry.

Yours sincerely

Catherine King

Catherine King MP

31 / 07 / 2026

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NATROAD

1 May 2026

The Hon. Catherine King MP
Minister for Infrastructure, Transport, Regional Development and Local Government

Via Email: Minister.King@mo.infrastructure.gov.au

Dear Minister

Road-User Charge

Thank you for the substantial support the Commonwealth Government has provided to the trucking industry since the war began in the Middle East.

Ahead of the budget, the National Road Transport Association (**NatRoad**) is seeking your support to keep the Road-User Charge (**RUC**) at $0.000 until 1 January 2027. A copy of a media release we issued today is ***enclosed*** to this letter.

Unfortunately, diesel prices remain high and untethered from unleaded prices, significantly impacting cashflow for trucking operators. Furthermore, while no-one can predict when the war will end or the future price of oil, it is a sobering likelihood that diesel prices are likely to remain high for some time. Trucks must keep moving, and they need diesel to move. Indeed, a recent survey of NatRoad members found that 40 per cent of operators have already turned down or cancelled work.

We appreciate this request reduces government revenue in a fiscally constrained environment. However, we believe it is a temporary and targeted response. Although reducing the RUC through a fuel excise reduction is preferable for the heavy vehicle industry, as this provides instant cashflow relief as opposed to claiming fuel tax credits, we are not advocating for current fuel excise reductions to be extended past 30 June 2026.

Making this decision ahead of the Budget will also give operators clarity in uncertain times.

Please feel free to contact s47F Head of Policy, Government & Compliance at NatRoad should you wish to discuss this issue further. s47F can be reached at s47F @natroad.com.au or on s47F

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NATROAD

Kind regards

Warren Clark
Chief Executive Officer

cc: The Hon. Dr Jim Chalmers MP, Treasurer, s22(1)(a)(ii) @aph.gov.au
s22(1)(a)(ii) Senior Advisor (Chalmers), s22(1)(a)(ii) @aph.gov.au
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Encl: Media Release – NatRoad says Budget action needed as 40% of truckies turn down work due to fuel costs

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s22(1)(a)(ii)

From: s22(1)(a)(ii)
Sent: Tuesday, 24 March 2026 9:31 AM
To: s22(1)(a)(ii)
Subject: FW: ATA releases plan to save trucking businesses

From: s47F s47F @truck.net.au>
Sent: Wednesday, 18 March 2026 6:43 PM
To: Solomon, Joseph s22(1)(a)(ii) @MO.infrastructure.gov.au>; s22(1)(a)(ii)
s22(1)(a)(ii) @mo.infrastructure.gov.au>; s22(1)(a)(ii) @dcceew.gov.au>
Subject: Fw: ATA releases plan to save trucking businesses

FYI - Here is where the industry has landed after several days of discussions. The position was ratified at our General Council meeting today. Happy to talk and we will send you formal correspondence tomorrow.

Sorry, I'd ring you all now but its been a day!

Cheers

s47F

From: Australian Trucking Association s47F @truck.net.au>
Sent: Wednesday, 18 March 2026 3:04 PM
To: s47F s47F @truck.net.au>
Subject: ATA releases plan to save trucking businesses

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ATA releases plan to save trucking businesses

18 March 2026

The Australian Trucking Association has released a plan to save Australia's 60,000 trucking businesses from the crippling fuel prices caused by the Iran war.

ATA Chair Mark Parry released the plan after a meeting of the ATA's member council today.

The terminal gate price of diesel has increased more than 105 cents per litre since the start of the war. Diesel is one of the largest costs faced by trucking businesses. Owner drivers and small trucking businesses are facing potential ruin within weeks.

"The ATA is calling on the Australian and state governments to **activate the Disaster Recovery Funding Arrangements immediately** to help small trucking businesses. The DRFA typically offers cash grants and concessional loans to businesses with fewer than 20 employees," Mr Parry said.

"The fuel crisis is a DRFA trigger because it is due to terrorism against commercial shipping in the gulf.

"The DRFA is a mechanism that can be used to help small businesses quickly," he said.

Mr Parry said the Government should **temporarily reduce the industry's road user charge to zero**.

Businesses that operate heavy vehicles on the road system receive fuel tax credits for each litre of fuel they use. These fuel tax credits are adjusted down by a notional road user charge, currently 32.4 cents per litre. The charge aims to recover the cost of the industry's use of the roads.

"The Government should temporarily reduce the charge and review the reduction on a month-to-month basis," Mr Parry said.

"This would cost the Government $248 million per month, and it would flow through to trucking businesses as larger BAS refunds or offsets to their BAS payments, once their activity statements are due and processed," he said.

Mr Parry said that trucking businesses needed help to recover the cost of fuel

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from their customers.

"Trucking businesses need immediate help to get through our cashflow crisis, but we also need to address the underlying problem: many trucking businesses cannot pass their fuel costs on to their customers," he said.

"The Government has empowered the Fair Work Commission to issue contractual chain orders that cover the whole of the road transport contract chain, including industry customers.

"The commission is considering a TWU application for an order that would require rate reviews, but the order could not come into force until late 2026 at the earliest, even if it was expedited.

"We propose that the Government immediately amend the Fair Work Act to **empower the FWC to make urgent fuel price contractual chain orders**.

"Only the minister would be able to apply for such an order, and it would be subject to expedited consultation and hearing requirements, including mandatory consultation with the Road Transport Advisory Group.

"A fuel price order would only be able to deal with fuel levies, rate reviews involving fuel or charges involving fuel," he said.

Mr Parry said the TWU and the road transport employers' association, ARTIO, had applied to the Fair Work Commission for a formal conference with major industry customers to discuss the need for fuel levies.

"The ATA has been invited to participate in the conference and is attending the directions hearing this afternoon," he said.

Mr Parry said the National Heavy Vehicle Regulator (NHVR) and state governments should urgently **allow longer, high productivity trucks on key freight routes**.

"A 36.5 metre long A-double with two trailers can transport 1,000 tonnes of payload in 21 trips compared to 42 trips for a standard semi-trailer, while using only 72 per cent of the fuel," he said.

"Allowing more high productivity vehicles on major routes like the Hume and Pacific highways would save fuel and reduce costs for trucking businesses and their customers," he said.

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The Western Australian Government has already announced that it will allow 27.5 and 36.5 metre road trains to carry an extra 10 tonnes of diesel, petrol and fertiliser to priority regions in the state.

A summary of the ATA plan is below.

Media contact: Bill McKinley | bill.mckinley@truck.net.au | 0488 292 823

THE ATA'S PLAN TO SUPPORT TRUCKING BUSINESSES

- The Disaster Recovery Funding Arrangements (DRFA) should be activated immediately to help small trucking businesses
- The Australian Government should temporarily remove the road user charge and review the removal on a month to month basis.
- The Fair Work Act should be amended to empower the FWC to issue urgent fuel price contractual chain orders
- The NHVR and state governments should issue urgent notices to allow the increased use of high productivity freight vehicles on major freight routes
- State-level owner-driver cost orders and price guidance should be updated to reflect current fuel prices.

The ATA will—

- Provide members with communications material about how small trucking businesses can move from quarterly to monthly activity statements
- Provide members with communications material for small trucking businesses to use to explain the need for increased fuel levies / freight rate increases to their customers
- At the request of the TWU, participate in the directions hearing for the FWC conference proposed by the TWU and ARTIO.

Authorised by s47F , Australian Trucking Association, 25 National Circuit, Canberra.

This email was sent by Australian Trucking Association, 25 National Circuit, Forrest, ACT 2603 to ceo@truck.net.au

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From: s47F s47F @truck.net.au>
Sent: Monday, 16 March 2026 11:45 PM
To: Solomon, Joseph; s22(1)(a)(ii)
Subject: RE: ATA Truck Financial Relief Options [SEC=OFFICIAL]

Hi Joseph

ATA member associations met again tonight to refine a common position on measures to assist with diesel fuel prices. Here is where we landed:

- Temporarily reduce RUC by the full 32.4cpl, to be reviewed monthly. This can be achieved via Ministerial decision, will limit costs for government and narrowly target the relief to heavy vehicle operators. It will also not change the bowser price, so it won't spike demand. It is perhaps also a consideration that a month or two of this approach now should not affect next year's budget.
    - Excise not to be changed. However, if government does bow to public pressure to reduce excise, the RUC **MUST** be reduced by the same amount.
- All operators should be allowed to lodge BAS monthly (ATA will check on current rules as we think this is already possible). Government to look at options for temporarily reducing to 14days on a voluntary basis to assist with cashflow.
- ATA members to support FWC processes for passing on fuel costs.
- ATA members to support greater use of HPVs by notice to preserve fuel stocks.

We are dropping the GST relief proposal for now.

Likely to be ratified at our General Council on Wednesday, but seeing as how there is now broad agreement across our member associations, you might hear voices in the media or start receiving representations on this tomorrow.

ATA will formally write to you in due course with more detail / supporting material.

Happy to discuss, but I'll be in an ATA Board Meeting 10am – 3pm.

Kind regards

s47F
Chief Executive Officer

AUSTRALIAN TRUCKING ASSOCIATION

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From: Solomon, Joseph s22(1)(a)(ii) MO.infrastructure.gov.au>
Sent: Sunday, 15 March 2026 11:28 AM
To: s47F s47F @truck.net.au>; s22(1)(a)(ii) @dcceew.gov.au>; s22(1)(a)(ii) s22(1)(a)(ii) @mo.infrastructure.gov.au>
Subject: RE: ATA Truck Financial Relief Options [SEC=OFFICIAL]

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OFFICIAL

Thanks s47F

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From: s47F s47F @truck.net.au>
Sent: Saturday, 14 March 2026 5:38 PM
To: Solomon, Joseph s22(1)(a)(ii) @MO.infrastructure.gov.au>; s22(1)(a)(ii) @dcceew.gov.au>; s22(1)(a)(ii) @mo.infrastructure.gov.au>
Subject: RE: ATA Truck Financial Relief Options

Hi again

Just a second email to correct the figures in red that I've just double checked.

Cheers

s47F

From: s47F
Sent: Saturday, 14 March 2026 5:20 PM
To: Solomon, Joseph s22(1)(a)(ii) mo.infrastructure.gov.au>; s22(1)(a)(ii) @dcceew.gov.au>; s22(1)(a)(ii) /@mo.infrastructure.gov.au>
Subject: ATA Truck Financial Relief Options

Hi Joseph s22(1)(a)(ii)

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s22(1)(a)(ii) [redacted]

Our full General Council is meeting on Wednesday to consider the options below, as well as others.

Happy to field questions or engage in discussion with you at any time.

Kind regards

s47F

Truck Financial Relief Options

Cut Fuel Excise & the Road User Charge – AT THE SAME TIME

Fuel costs have risen between 30 – 50cpl for trucks. There are predictions it might be 70cpl next week.

As of March 2026, the fuel excise rate is 52.6 cpl for petrol and diesel.

Cutting the excise rate would have immediate cost benefits for all motorists.

However, for trucks, the effective rate paid is the Road User Charge (RUC) which is currently 32.4 cpl for diesel.

This is because a truck pays the full excise of 52.6 cpl at the bowser (like all motorists), but is then eligible to claim a fuel tax credit (FTC) from the ATO which is calculated as follows:

Fuel excise rate (52.6 cpl) – RUC (32.4 cpl) = FTC (20.2 cpl).

So, if the fuel excise is cut (let's say by 10 cpl) but the RUC is not adjusted, the FTC will fall by the same amount as the excise cut (so truckies don't actually benefit). For example:

Fuel excise (42.6 cpl) – RUC (32.4 cpl) = FTC (10.2 cpl).

So, truckies would pay 10 cpl less at the bowser, but also only be able claim 10 cpl less in FTC.

The solution is to cut fuel excise and the RUC by the same amount and at the same time. For example:

Fuel excise (42.6 cpl) – RUC (22.4 cpl) = FTC (20.2 cpl).

This way, the truckies would get the same relief as other motorists at the bowser without reducing their FTC.

There are some scenarios where truckies would be partly financially better off by a fuel excise cut only. This can occur with a very large cut in fuel excise that is bigger than the RUC. This would also completely wipe out the FTC. It can lead to a marginal financial benefit, but we know from past experience that:

- The net saving is not nearly as big as the actual excise cut;
- Customers will demand a freight rate cut that IS as big at the excise discount
- Some truckies won't understand that they won't get any FTC, and will pass on a discount that is too large

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- Contracts that use the terminal gate price of fuel to adjust rates would reduce those rates by more than the benefit received by the trucking operator
- Small operators would face a cashflow crunch at the time of their next BAS, because many small operators use their fuel tax credits as a form of forced saving to offset their BAS payment obligations.

On balance, our industry completely rejects this approach because it just creates confusion within the supply chain with minimal financial benefit. For some it will do more harm than good.

If the government was to provide relief that was ONLY targeted to truckies, the best way to do that would be to leave the excise rate untouched and simply suspend the RUC. For example:

Fuel excise rate (52.6 cpl) – RUC (0 cpl) = FTC (52.6 cpl).

What that means in practice is that truckies would still pay the same at the bowser, but would later receive a higher FTC refund. This is generally every three months when a BAS is lodged, but can be done monthly on a voluntary basis.

This is great for net financial relief, but it does not rapidly assist in cashflow problems because truckies would still need to pay the full bowser price up front.

While some governments might argue that temporary loss of the RUC is a problem for building and maintaining roads, this is not correct. The RUC is a cost-recovery mechanism based on the cost of roads already built / maintained. The money raised from the RUC is NOT hypothecated to roads. It just goes into consolidated revenue.

Immediate Cashflow Relief

One option for immediately improving cashflow would be to temporarily remove the GST on diesel.

10% GST is applied to the total retail price of diesel at the bowser. This includes the base price of the fuel plus the fuel excise. So, yes, part of the GST is actually a tax on a tax. The Howard Government reduced fuel excise by 6.66 cents per litre in 2000 when the GST was introduced in recognition of this, and by a further 1.5 cents per litre in 2001.

For a GST registered business, that GST can be claimed back on the BAS – but not until the BAS is returned.

Using a diesel price of $2.30 per litre, that is 21 cpl that can remain in the truckie's pocket immediately.

Because it would be impossible to differentiate at the bowser, the other motorists using diesel would also benefit by 10%.

A Combination of Measures

The ideal approach would be a combination of these two measures.

Suspending GST would keep 21 cpl in the truckie's pocket NOW – assisting with cashflow. For a GST registered business it is not actually a saving (because the 21 cpl would later be claimed back anyway) but it would be a very valuable immediate cashflow assistance).

Suspending the RUC (without reducing fuel excise) would be a real discount of 32.4 cpl. However, that would only come to the truckie in the form of an increase FTC 1-3 months LATER.

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If the government wanted to reduce fuel excise for ALL motorists, it would be **absolutely imperative that the RUC be reduced by the same amount** – or there will be market chaos truckies will not be better off.

Potential Costs

GST Relief

AI tells me that diesel consumption in Australia is approximately 2.5 – 3.0 billion litres a month. I'm going with the higher figure due to the peaked demand at the moment.

At bowser price, this would be 3b litres x $2.30 (rough avg price) = $6.9b in retail sales.

The $6.9b in retail sales includes GST, so the GST amount is $6.9b/11=$627m.

However, the only part of this that would actually be a loss for government is the part normally purchased by non-GST registered buyers.

That part is estimated at 12% of sales. So, the actual net cost to government would only be $627m x 0.12 = **$75.4m per month.**

While it is not actual net financial relief (and hence why it is not a net cost to government) it would very importantly keep $551.6m in the pockets of diesel users that month without it having to be paid to the ATO and claimed back as an input tax credit.

If you wanted to isolate that just to trucks, I believe about 43% of the total diesel consumption is used by trucks on public roads, so that would be **$237.2m per month (BUT ZERO NET COST).**

Another positive feature of the GST cashflow relief is that it is linked to retail price, not litres. So, if the price of diesel was to climb much higher, the amount of cashflow relief for truckies would also increase.

RUC Relief

The RUC relief is a real saving for truckies and a real cost to government.

However, of the 3b litres sold in a month, not all of it attracts the RUC. Vehicles under 4.5t don't pay it. Heavy vehicles over 4.5t but used off-road don't pay it. It is also not paid on fuel used in on-road heavy vehicles for auxiliary purposes, such as turning the barrel of a cement mixer.

So, to calculate this one, I'm going to use 1/12 of the total amount collected as calculated by the NTC.

The heavy vehicle 'cost base' (or the amount the govt aims to collect via the RUC) is $2,975m annually for 2025-26. 1/12 of that figure is: **$247.9m per month.**

This number will not change with diesel price because it is linked to litres only.

Cheers

s47F
Chief Executive Officer

ATA
AUSTRALIAN TRUCKING ASSOCIATION

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