ALC CALLS FOR INDUSTRY INVOLVEMENT IN THE DESIGN OF A SINGLE NATIONAL ROAD PRICING SYSTEM FOR ELECTRIC VEHICLES

The Australian Logistics Council (ALC) said today that the announcement of a road user charge for electric vehicles by the South Australian Government in its 2020-21 Budget has amplified the need for a transparent national approach to the design and implementation of any charge.

The South Australian Government has announced <u>the expenditure of \$18.3 million over four</u> <u>years</u> to deliver an Electric Vehicle Action Plan, designed to establish a statewide electric vehicle charging network so as to increase the uptake of electric vehicles.

However, at the same time it announced the intention to introduce <u>a user charge</u> for electric and zero emission vehicles as from 1 July 2021, based on distance travelled.

The intention is to recover an amount similar to that recovered from traditional car users through the payment of fuel excise that is applied to maintain the road network.

The budget papers reveal that the South Australian Government is consulting with other states and territories about the detail of the proposed road user charge.

This approach is in line with a recommendation contained in the NSW Government's paper the <u>NSW Review of Federal Financial Relations: Supporting the Road to Recovery</u>, which recommended that Australian treasuries and state transport departments work together to design a nationally compatible and fair road user charging scheme for electric vehicles.

Mr Kirk Coningham, Chief Executive Officer of ALC welcomed the establishment of the Electric Vehicle Action Plan, saying that 'ALC encourages investment in infrastructure that would assist in the staged transition of vehicles from fuel to electric powered vehicles.'

However, he warned that industry should be properly represented in the discussions designing any proposed user charge so that it is both nationally uniform and efficient.

Mr Coningham said 'Australia functions as a single national market. It is imperative that there is a consistent road user charge operating throughout the nation so that businesses who decide to make an early transition to electric vehicles can make appropriate purchasing decisions.

Governments around Australia should therefore now indicate where the process of developing a road user charge for electing vehicles has arrived at so that industry can assist in designing a scheme that is practical and actually works in practice.

Designed correctly, the approach can be directly applied in other programs including the longrunning Heavy Vehicle Road Reform process which is designed to modernize the way in which heavy vehicles are charged to access Australia's roads' Mr Conningham concluded.

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