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*Leading effective planning
for people and places*

27 June 2014

Committee Secretary
Senate Economics Legislation Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Committee Secretary

Inquiry into the provisions of the various Fuel Indexation Bills

The Planning Institute of Australia (PIA) welcomes the opportunity to make a submission to the Inquiry. As the peak professional body representing 5,000 urban and regional planners across Australia and overseas, who work to create more productive, sustainable and liveable communities.

We draw your attention to the content and recommendations of *Moving Australia 2030 – A transport plan for a productive and active Australia*, developed by the Moving People Taskforce, of which PIA is a member. The Moving People 2030 Taskforce, comprised of 8 national organisations, launched a comprehensive report to Federal, State and Territorial Governments on how we can deliver a prosperous, sustainable, liveable and healthy Australia by 2030.

In relation to these Bills, PIA submits that while the hypothecation of revenue to transport infrastructure is supported, we strongly advocate that a portion of those funds should be hypothecated for the benefit of supporting the development of public transport systems across Australia. We refer you to the comments in the joint media release of the Moving People 2030 Taskforce attached for your reference.

Moving Australia 2030 - A Transport Plan for a Productive and Active Australia sets out pathways for the establishment of a transport, land use management, planning and funding framework, including how we move people, today and in the future, to maintain the living standards we currently enjoy in Australia. We refer you to the detail of that report and the recommendations on public transport contained within. A copy of this report can be found at <http://www.planning.org.au/policy/moving-australia-2030>

Yours faithfully,

Kirsty Kelly MPIC CPP
Chief Executive Officer



MEDIA RELEASE

25 June 2014

FUEL EXCISE REVENUE IDEAL FOR FUNDING PUBLIC TRANSPORT

The Moving People 2030 Taskforce has supported the Greens position to invest the revenue generated by reintroducing CPI to the fuel excise into public transport, not solely roads as is currently proposed by the Abbott Government.

The Moving People Taskforce believes that a Sustainable Transport Fund and a Fringe Benefits Tax (FBT) for salary packaging public transport should be established with the revenue generated through the CPI increases to the fuel tax.

The Coalition announced in the Budget it would re-introduce biannual indexation to the fuel excise and expected to generate \$2.3billion over the forward estimates, with every dollar earmarked for roads.

Moving People Taskforce Spokesperson, Bus Industry Confederation of Australia Executive Director Michael Apps, said that he, like The Greens, was supportive of the fuel excise increase but could not support the revenue going wholly and solely to roads when public transport was in great need of improvement and investment.

“The increase to the fuel excise offers the Abbott government a perfect opportunity to innovatively fund public transport in our major capital cities, whilst still leaving almost \$45billion in the Budget for roads,” said Mr Apps.

“Increasing congestion and carbon emissions are putting too much pressure on existing infrastructure in our cities and the people living in them, investment from all levels of government into public transport is paramount if Australians want to move freely and efficiently around the nation’s major cities in the future.

“Public transport provides for the masses so surely it is not too much to ask that a portion of revenue generated through the reintroduction of CPI to the fuel tax is dedicated to public transport.

“This revenue should be hypothecated into a Sustainable Transport Fund that is focussed on funding, through the States, improved public transport services and infrastructure.

“Furthermore it should be supported by the introduction of a Fringe Benefits Tax for salary packaging annual public transport passes to incentivise people to ditch the car and opt for public transport. Currently the FBT only encourages more for car use,” he said.

Mr Apps referred to innovative funding mechanisms as being crucial to tackle Australia’s infrastructure backlog emphasising the need for Governments to adopt new ways to fund the nation’s infrastructure.

“World-class transport systems can be achieved in Australian cities if governments at all levels get smarter at funding public transport investment,” said Mr Apps.

“Without long term planning and alternative revenue sources to fund or finance public transport and infrastructure investment, our cities and their transport systems will come to a standstill.

“The revenue gained from the increase to the fuel excise is an ideal opportunity for the Abbott Government to get innovative and start contributing to more than just road infrastructure,” Mr Apps concluded.

Members of the Taskforce will be lodging submissions to the Senate Standing Committees on Economics with further recommendations this Friday.

Media inquiries:

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