

8th August 2022

Submission to the Inquiry into the Electric Car Discount Bill

This is a good Bill to encourage the uptake of electric cars in Australia and thereby reduce the emissions of the Australian transport sector. The transport sector has significant potential to contribute to the decarbonisation of Australia.

I note that the Bill has several points. The Bill seeks to exempt zero or low emissions vehicles (namely electric cars) from fringe benefits taxes, which encourages uptake of electric vehicles by employers for their employees. Such vehicles will only be eligible if they are under the value of the luxury car tax threshold, which could encourage electric car manufacturers to produce more affordable models.

This Bill is a good measure to encourage the uptake of low or zero emission cars and make electric vehicles more affordable for businesses and consumers. While it is one specific measure, it can play a good role amongst a range of incentives and policies by the new federal government (such as building more electric charge stations - or choosing electric vehicles for the Commonwealth fleet) that can lead to electric cars being more widely adopted in Australia.

Indeed, apart from the measure itself, it also provides an important signal that the federal government supports electric cars and having an effective and managed transition to a low-emissions economy. Compared to the lack of action and rhetoric by the previous government, this is refreshing.

I support the Bill. And I encourage the Australian Government, and the Parliament, to work constructively to encourage the use of electric cars more widely and any other measures to lead to a stronger and more sustainable Australian economy.

Benjamin Cronshaw.