



DAVID MORRIS MP
Member for Mornington

Low emissions Vehicles Tax – Labor’s Hypocrisy laid bare

Posted on 4 May 2021

Mr MORRIS (Mornington) (16:39): I am pleased to have the opportunity to speak on this bill, and I must say while I have only been in the chamber for a couple of minutes I have heard most of it via the internal system and it has gone in exactly the way I expected it to.

The bill indicates that the purpose of the act is:

... to require registered operators of zero and low emission vehicles to pay a charge for use of the vehicles on certain roads ...

The ‘certain roads’ are every road, not certain roads. They are every road. This is not a charge; it is a tax.

The purpose of the bill highlights right from the start the hypocrisy of the government. To talk about charges, to talk about certain roads—it is a tax on driving every kilometre one of these vehicles travels.

It is quite fascinating to me—again, the hypocrisy, the pretence about caring for our environment. We have had just in the last couple of days the smokescreen of the targets. Right through question time today, I think it was every ministers statement, talking about the targets and the wonderful things that are going to flow from that.

Miraculously we saw these targets announced on Sunday after the government had been taking a bucketing for weeks on this bill. Let us just remember, as I am sure you do, that the Climate Change Act 2017 required an interim emissions reduction target for the periods that the government announced on Sunday, a legislated date to be announced—31 March 2020—thirteen months late, and just miraculously when the government is under the pump because of this proposal.

A member interjected.

Mr MORRIS: The member says, ‘the pandemic’. They were due on 31 March. Do not tell me that they could not get it done because we had two weeks of pandemic before they should have been announced. The pandemic has been the excuse for every shortcoming of every government minister for the last 12 months. I mean, let us get real. It did not stop you bringing forward a bill to bring in a new tax, did it? You could manage to do that all right.

The DEPUTY SPEAKER: Member for Mornington, through the Chair.

Mr MORRIS: I apologise, Deputy Speaker. I will address my remarks through you. The reaction to the bill was exactly what the government deserved:

'United call for Pallas to pull plug on electric car fees',

'State's electric vehicle scheme "world's worst"',

'Vic electric car charge "absurd"',

'Electric car rebate plan fails to persuade industry'—that was probably the kindest one of the lot.

We know there were claims made in the second-reading speech about the various jurisdictions around the world that had gone down this path, starting with South Australia, which of course has had a look at it and decided not to go down that path, and then the Oregon example that was given, which is a voluntary tax et cetera, as the Shadow Treasurer identified for the house a couple of hours ago—just a complete crock.

In fact it is interesting to look at the draft infrastructure strategy prepared by the government's own hand-picked organisation—the one that they keep claiming is independent but just happens to have a board of departmental secretaries, which is hardly independent. But even that organisation talks about draft recommendation number 1—number 1, presumably the most important recommendation—to incentivise zero emissions for vehicles:

Reaching net zero emissions by 2050 will require widespread adoption of zero emissions vehicles ... If all vehicles were zero emissions, this would remove around 27 million tonnes of potential greenhouse gas emissions ...

... the Victorian Government should incentivise zero emissions ...

What has the government done? Slapped a tax on it.

There are also, I think, some interesting words in the second-reading speech that I would like to address. On the second page the minister in his second-reading speech indicates:

The Government is also investing at record levels to maintain and improve Victoria's road network ...

Wrong, plain wrong. The Auditor-General's report on maintaining state-controlled roadways states:

Total real funding to VicRoads has been decreasing ... including a reduction in maintenance funding of about 60 per cent.

Sixty per cent—and the Treasurer claims that the network is being improved.

The report goes on to talk about roads being in a very poor condition and long-term deterioration of pavement surfaces and notes that:

... maintenance practices ... are not adequate to sustain the functional condition of VicRoads' road network ...

That is the first point.

On the second point, again—this is further down on this issue—the minister talks about ensuring:

... we can continue to invest in our transport networks into the future.

The fact is you are not investing in your roads now, so do not pretend that this tax—and the point was made a minute ago—which goes to consolidated revenue, is about improving roads, because it is not.

The next point—and I will just make it very briefly—the Treasurer talks about is a 2-cent-per-kilometre charge applying to plug-in hybrid electric light vehicles. This is a double tax of course. People are already paying GST on their power bills and then you charge them again, so people are being charged two taxes to drive their vehicles on the road.

The next point I would make is that in the next paragraph the Treasurer says:

... a per-kilometre charge ensures vehicle owners who use the roads pay less in distance-based charges ...

That is interesting, talking about how the charge makes sure that use on the roads is fair. Well, let me give you an example of many people in my electorate who, in a normal year, would take off to Queensland. They are retired; they have worked hard. They get in their cars, many of them towing their caravans, like many ordinary Australians, and they head off to Queensland.

They are probably not going to be towing a caravan with an electric vehicle, I grant you that, but things will move on.

If they drive from Tocumwal to Cairns, as many do, and then drive back later in the year from Cairns to Tocumwal, that will cost them. Under this bill, we will be slugging them \$125 for not using Victorian roads. It is hardly equitable, and certainly it potentially runs into jurisdictional issues on that basis.

The next point that the second reading speech talks about is, and I quote:

Existing incentives to promote the take-up of ZLEVs will continue ...

That is generous—seriously? You are maintaining the existing incentives, but the government is providing a massive, massive disincentive for people to get into the market in the first place.

If the average life of a vehicle is 12 years—and given that the average age of the fleet is 10-point-something, it is probably longer than 12 years, a lot longer, but if we say 12 years—then under these provisions you are adding an additional minimum cost to a vehicle of \$4000. This is a massive disincentive for people to get into the market. It is hard enough anyway—these are not cheap vehicles—and you are adding, as a government, a significant disincentive for people to get into the market.

Back to the second-reading speech:

On balance, the Government anticipates the introduction of the distance-based charge will have a negligible impact on electric vehicle uptake...

It 'anticipates' it will have a negligible impact on uptake.

Well, let us just remember that the same government anticipated that to service the requirements of the Business Support Fund, five people in a call centre would be required—five people. 550 were required—not five times, not 10 times but more than 100 times.

The government anticipated five. Who can have faith in this anticipation that it will have zero impact on the take-up? I think that is plainly wrong.

This again is an example of Labor's hypocrisy. Clearly they are not serious about climate change. If they were, they would not bring in this bill.