

Submission on the Tasmanian Government's Transport Sector Emissions Reduction and Resilience Plan

Rachel Hay

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About Climate Tasmania

Climate Tasmania is a group of concerned professionals who have a diverse range of expertise, spanning scientific, legal, economic, health, energy, social and policy aspects of climate change. Our aim is "To provide timely, independent and authoritative advice to Tasmanian business, government and community leaders on climate change and appropriate policy responses."

Details of the members of the Climate Tasmania board and expert advisers are available at <u>www.climatetasmania.org/members/</u>

Postal: PO Box 3199 West Hobart, Tasmania 7000 Telephone: 0427 355 951

Email: <u>climatetasmania@gmail.com</u>

Web: www.climatetasmania.org

About Rachel Hay

<u>Rachel Hay</u> researcher, writer and advocate for action on climate change. She has an undergraduate degree in international relations, policy and law, and First Class Honours in Law. Earlier this year, she released a research paper on behalf of Climate Tasmania, showing the possibilities for transport decarbonisation in lutruwita/Tasmania. Rachel is currently working with Australia reMADE on a research project, focussed on centering care in before and after climate-fuelled disaster.

As an Anne Kantor Fellow at the *Australia Institute Tasmania* and Coordinator of the *Tasmanian Independent Science Council*, she engaged on the Review of Tasmania's Climate Change Act. She was the Co-Convenor of *Fossil Free UTAS*, who successfully lobbied the University to divest \$10 million from fossil fuels and become carbon neutral. As Co-coordinator of the International Justice Initiative, she provided advice to poor and developing nations and non-government organisations, including on carbon markets at the UNFCCC COP25. Rachel has an Award of Excellence from the *Green Gown Awards Australasia* and was a Finalist in *Tasmanian Young Achiever Awards*.

Acknowledgment of Country

We acknowledge the Traditional Custodians of the land on which we live, love and work, the muwinina people of nipaluna/Hobart, and palawa people as the continuing custodians of lutruwita/Tasmania, and extend our respect to their Elders past and present.

This paper uses palawa kani, the language of Tasmanian Aborigines, for place names where possible. Find out more at: <u>http://tacinc.com.au/pulingina-to-lutruwita-tasmania-place-names-map/</u>

Acknowledgements

Thank you to Climate Tasmania members, especially David Hamilton, for their assistance with this submission.

Summary

In order to achieve the target of net zero by 2030 set out in *The Climate Change* (*State Action*) *Act 2008*, we cannot continue to rely on the unreliable Land Use, Land Use Change and Forestry sector to offset our emissions in other sectors.

The transport sector, at 21% of gross emissions, provides opportunities for immediate abatement with policies which have been tried and tested overseas and around Australia. Lucky for us, lutruwita/Tasmania is ideally placed for a move to electric vehicles, with our compact geography, ability to generate 100% of our energy renewably and Tasmanians current reliance on old private vehicles.

Further, Tasmanians have consistently shown that they want action on climate change and policies that reduce emissions in the transport sector. Australia Institute research shows that 69% on Tasmanians want the Government to take action on climate change and 73% want subsidies for private vehicle electrification and electrification of the bus fleet.

The Tasmanian Government has made steps towards transport sector decarbonisation, through policies such as an electric vehicle incentive, electric bike subsidies, a commitment to electrify its fleet, public transport upgrades and an electric bus trial.

However, public and active transport use, as well as the number of EVs, are low in the state. Only 2.5% of Tasmanians take the bus to work. 0.4% of cars registered in the state are electric.

Climate Tasmanian's report from earlier this year "Plug it in, change the world: accelerating EV uptake in lutruwita/Tasmania" showed that the Tasmanian Government is currently falling behind its interstate counterparts in decarbonising the transport sector.

The Final Transport Sector Emissions Reduction and Resilience Plan provides an excellent opportunity for the Tasmanian Government to make policy commitments which will decarbonise Tasmania's transport emissions.

In the Final Plan, the Tasmanian Government needs to commit to:

- 1. An emissions reductions target for the transport sector of 60% by 2030;
- 2. Setting a target for an increased public transport uptake of 49% by 2030, and policies which increase public transport use such as making services more frequent, cheaper, reliable and accessible;
- 3. Setting a target of all new light vehicle sales to be electric by 2030;
- 4. Stamp duty and registration waivers to incentivise electric vehicle uptake, as well introducing more equitable and incentivising purchase price incentives;
- 5. Moving out of the trial phase and electrifying the public bus fleet immediately, working towards a target for complete electrification by 2030;
- 6. Increasing electric trucking by introducing purchase price incentives, investing in charging infrastructure, adopting a target of 30% of new truck sales to be electric by 2030, exempting electric trucks from urban curfews, changing

weight and width limits to accommodate batteries and a feasibility study into swappable battery system; and

 Determining the largest users of fossil fuels for transport so decarbonisation policies can be targeted for the biggest emissions reduction.

Introduction

Tasmanians want action on climate change. They've been on the frontlines as climate change fuels erratic weather – wading through flood waters, feeling the smoke in their lungs, watching as the bush burns and seeing the oceans rise and beaches erode.

In recognition of the need to mitigate and adapt to the impacts of climate change, the Tasmanian Government amended *The Climate Change (State Action) Act 2008* last year.¹ The Act now establishes a net zero emissions target by 2030 and the sectoral based emissions reductions plans, with the plan for the transport sector to be completed this year.

In June of this year, Climate Tasmania released a paper, "Plug it in and change the world: accelerating electric vehicle uptake in lutruwita/Tasmania" (Climate Tasmania's Transport Paper).² It detailed how the state was falling behind on policies to reduce emissions in the transport sector, and key recommendations for turning that around.

This paper received widespread positive feedback a range of stakeholders, as well as the community, shown at our public event earlier this year, for which almost 150 people registered.

We welcomed the development of The Emissions Reduction and Resilience Plan for the transport sector as an opportunity to implement policies which reduce emissions in the sector.

However, upon reading the Draft Plan, we were surprised that no new commitments were made to reduce emissions in the transport sector for comment. Instead, the Plan offered "future opportunities" to be considered, without timeframes.

It left us wondering whether the Tasmanian Government was serious about being a leader in climate action as they have stated, and concerned that the haste needed to reduce emissions in this state to avoid the worst effects of climate change was not a priority for the Government.

For lutruwita/Tasmania to achieve its net zero by 2030 target legislated in *The Climate Change (State Action) Act 2008*, there must be commitments made to policies which decarbonise the transport sector in the Final Plan. In this submission, we show why this is necessary, as well as possible in the state, and recommend key policies which must be implemented in the Final Plan.

¹ Climate Change (State Action) Amendment Bill 2021

² Rachel Hay (2023) *Plug it in and change the world: accelerating electric vehicle uptake in lutruwita/Tasmania*, https://www.climatetasmania.org/wp-content/uploads/Climate-Tasmania-Plug-it-in-change-the-world-2.pdf

Transport emissions reduction the next stop for climate action

Urgent action needed on climate change

lutruwita/Tasmania has achieved net zero emissions since 2014, through reliance on offsets in the Land Use, Land Use Change and Forestry (LULUCF) sector.³ However, in this time, the state has continued to consistently emit across sectors, including transport, waste, agriculture, industrial processes and direct combustion.

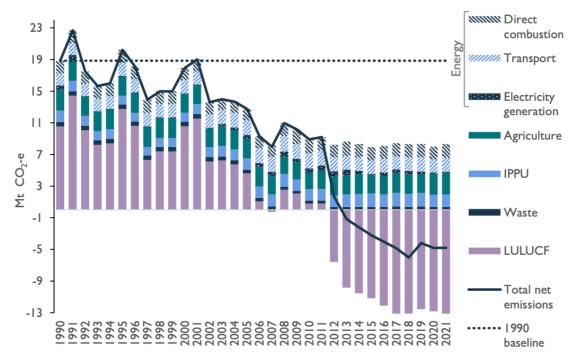


Figure 1: Tasmania's emissions by sector and sub-sector, 1990-2021⁴

Climate Tasmania has, in previous submissions to the Tasmanian Government, questioned the legitimacy of "net emissions" as a measure of progress with mitigating climate risks.⁵ LULUCF emissions are vulnerable to change from natural events, such as bushfires and continued polluting practises like land clearing and

³ Renewables, Climate and Future Industries Tasmania (2022) *Tasmanian Greenhouse Gas Emissions Report 2023*, p. 11,

https://recfit.tas.gov.au/__data/assets/pdf_file/0006/440592/Tasmanian_Greenhouse_Gas_Emissions _Report_2023.pdf

⁴ Renewables, Climate and Future Industries Tasmania (2022) *Tasmanian Greenhouse Gas Emissions Report 2023,* p. 11,

https://recfit.tas.gov.au/__data/assets/pdf_file/0006/440592/Tasmanian_Greenhouse_Gas_Emissions _Report_2023.pdf

⁵ Climate Tasmania (2023) Submission in response to the Tasmanian Government's Draft Climate Change Action Plan, 2023-25,

https://recfit.tas.gov.au/__data/assets/pdf_file/0004/434947/O13_Climate_Tasmania.pdf, Section 2.

forestry.⁶ The Tasmanian Policy Exchange has predicted that, from 2030, lutruwita/Tasmania will not be able to achieve net zero emissions because of reductions in carbon sequestration from the LULUCF sector.⁷

Therefore, to achieve and maintain the commitment of net zero emissions by 2030 legislated in *The Climate Change (State Action) Act 2008*, the Tasmanian Government must reduce the state's continued emissions.

Reduction in transport emissions the next stop

In 2021, the transport sector was Tasmania's second highest emitting sub-sector, at 21% of emissions, offering significant decarbonisation potential.⁸

There are a number of policies already trialled across the world and nation that the Tasmanian Government can put in place now to reduce in emissions in this sector. Further, lutruwita/Tasmania is ideally placed for this transition.

Our ability to generate 100% of our energy renewably means that this will offer more emissions abatements than our mainland counterparts.⁹ We also have the highest private car dependency in the country – with ninety percent of homes owning two or more registered vehicles¹⁰ – and the oldest cars in Australia, which are less fuel efficient and therefore higher emitting.¹¹

Tasmanians will experience better health from a transition to active, public and electrified transport, due to reduced traffic noise, better air quality and more incidental exercise. This mode shift will also assist Tasmanians who have been feeling cost of living pressures recently, through reduced transport cost, as well as reduce congestion.

lutruwita/Tasmania's compact island geography also makes it ideally placed for electric vehicle (EV) uptake. It is easier to place charging stations at key locations, with shorter than average commuting distances and a growing visitor economy that is supported by a clean, green image.¹² Electrifying vehicles will support energy

⁹ Tasmanian Policy Exchange (2022) *Tasmanian Greenhouse Gas Emissions Update*, p. 16, https://www.utas.edu.au/__data/assets/pdf_file/0003/1610409/UTAS-GHG-Emissions-Update-2022.pdf

⁶ Sanger (2022) *Tasmania's Forest Carbon: From Emissions Disaster to Climate Solution,* p. 11, https://static1.squarespace.com/static/60b20f09dcfc4f2bd6b0c171/t/63ddce424a52643d2f6008cf/167 5480999178/Tasmanias+Forest+Carbon.pdf

⁷ Tasmanian Policy Exchange (2022) *Tasmanian Greenhouse Gas Emissions Update*, p. 18, https://www.utas.edu.au/__data/assets/pdf_file/0003/1610409/UTAS-GHG-Emissions-Update-2022.pdf

⁸ Renewables, Climate and Future Industries Tasmania (2022) *Tasmanian Greenhouse Gas Emissions Report 2023,* p. 21,

https://recfit.tas.gov.au/__data/assets/pdf_file/0006/440592/Tasmanian_Greenhouse_Gas_Emissions __Report_2023.pdf ⁹ Tasmanian Policy Exchange (2022) *Tasmanian Greenhouse Gas Emissions Update,* p. 16,

¹⁰ Tasmanian Policy Exchange (2021) *Towards a climate-positive Tasmania*, p. 33, https://www.utas.edu.au/__data/assets/pdf_file/0009/1545561/Towards-a-climate-positive-Tasmania-02112021.pdf

¹¹ The Australia Bureau of Statistics (2021) *Motor Vehicle Census, Australia*,

https://www.abs.gov.au/statistics/industry/tourism-and-transport/motor-vehicle-census-australia/latest-release

¹² Department of Premier and Cabinet (2021) Current State of Play,

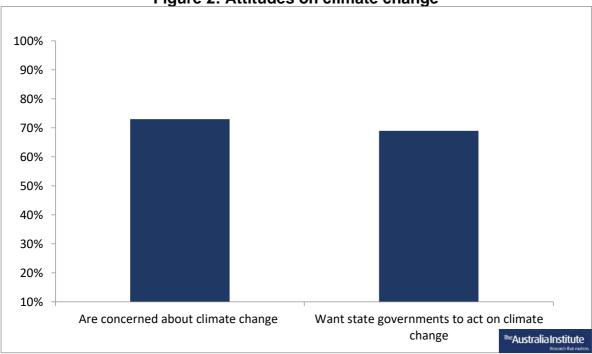
https://recfit.tas.gov.au/__data/assets/pdf_file/0007/348973/Electric_Vehicles_In_Tasmania_-_Current_State_of_Play_2018.PDF

security by decreasing our reliance on imported liquid and gaseous fossil fuels. Further, money which would previously have been spent on importation of fuel will stay in lutruwita/Tasmania.

Tasmanians want action on transport emissions

Tasmanians have successively shown that they want action on climate change. In 2021, 20,000 people gathered at Parliament Lawns to call for climate action, making it one of the largest protests in Tasmania's history.¹³ Just last week, Tasmania's youth gathered to protest the continued emissions endangering their future.

Australia Institute research shows that Tasmanians support ambitious climate action and that they want this achieved through transport sector emissions reductions policies. Figure 2, below, shows that in the 2021 Climate of the Nation Report, Tasmanians were concerned about climate change (73%) and want the state government to act to address it (69%).¹⁴





Tasmanians support incentivising EV uptake through funding a network of fast charging stations (74%), fully electrifying the state's bus fleets by 2030 (73%) and subsidising purchase costs of EVs (73%). The Tasmanian Government discounting registration and stamp duty was also a popular policy (68%), as Figure 3 below, shows.

¹³ School Strike (2021) *Biggest Climate Mobilisation in Australia's History as 350,000 Students* + *Workers #ClimateStrike,* https://www.schoolstrike4climate.com/post/biggest-climate-mobilisation-in-australia-s-history-as-350-000-students-workers-climatestrike

¹⁴ The Australia Institute (2021) *Climate of the Nation 2021 Tasmanian Supplement*, https://australiainstitute.org.au/wp-content/uploads/2021/10/Climate-of-the-Nation-2021-TASsupplement.pdf

¹⁵ Ibid

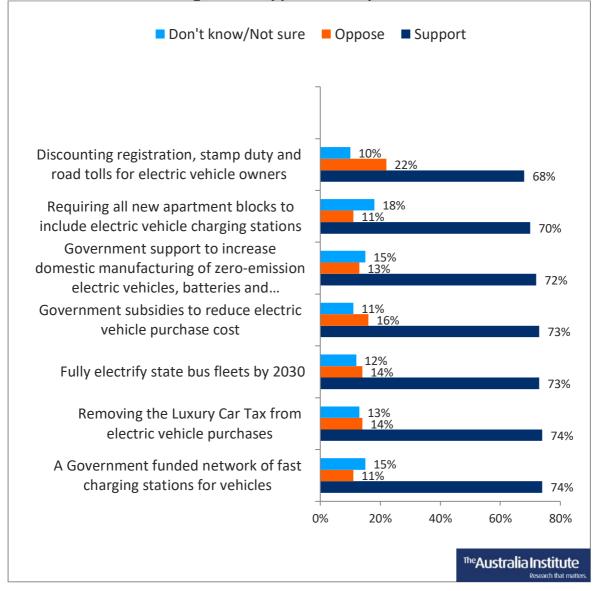


Figure 3: Support for EV policies¹⁶

A 2018 survey by the Good Car Company showed that over 81% of participants were considering buying an EV, 18% of which were considering it within the next two years.¹⁷

¹⁶ The Australia Institute (2021) *Climate of the Nation 2021 Tasmanian Supplement*, https://australiainstitute.org.au/wp-content/uploads/2021/10/Climate-of-the-Nation-2021-TASsupplement.pdf

¹⁷ Tasmanian Policy Exchange (2021) *Towards a climate-positive Tasmania*, p. 33, https://www.utas.edu.au/___data/assets/pdf_file/0009/1545561/Towards-a-climate-positive-Tasmania-02112021.pdf

A rolling start on transport emissions reduction

The Tasmanian Government has made a good start towards reducing emissions in the transport sector with policies that are welcomed by Climate Tasmania.

Electric Vehicle Working Group

For a number of years now, the Electric Vehicle Working Group to take a coordinated approach to supporting EV uptake.¹⁸ Since the formation of the Working Group, advancements in the understanding of what is needed to decarbonisation the transport sector have been made – such as an increase in public transport and active transport, as well as a focus on heavy emitters like trucks. Given this, the Working Group may find greater success in reducing transport emissions by expanding its remit and membership.

Purchase price incentives

The stamp duty waiver, introduced in 2021, reduced the purchase price of EVs by \$2,000 on average and saw the number of EVs on Tasmanian roads double in 2022, as most purchasers took up the waiver.¹⁹ The Government also waived registration fees for EVs purchased by car rental companies and coach operators until mid-2023.²⁰

Climate Tasmania welcomes the newly introduced rebate of \$2,000 on EVs as a significant step towards reducing transport emissions in lutruwita/Tasmania.²¹

EV charging

The Tasmanian Government supported 14 fast charging stations and 23 destination and workplace chargers through its first Electric Vehicle ChargeSmart Grants Program in 2018-19.²² Through the second round of the Electric Vehicle ChargeSmart Grants Program in 2021, the Government provided a further \$773,000 for the introduction of fast chargers, which resulted in chargers at 43 new sites.²³

¹⁸ Renewables, Climate and Future Industries Tasmania (2021) *Tasmanian Electric Vehicle Working Group*, https://recfit.tas.gov.au/electric_vehicle_working_group

¹⁹ Gutwein (2021) Stamp duty waiver for Electric vehicles,

https://www.premier.tas.gov.au/site_resources_2015/additional_releases/stamp_duty_waiver_for_ele ctric_vehicles; Rockcliff (2022) Supporting Tasmanian businesses to go electric, https://www.premier.tas.gov.au/site_resources_2015/additional_releases/supporting_tasmanian_

https://www.premier.tas.gov.au/site_resources_2015/additional_releases/supporting-tasmanianbusinesses-to-go-electric

²⁰ Tasmanian Government (2021) *Government Services Budget Paper No 2 Volume 1,* p. 327, https://www.treasury.tas.gov.au/Documents/2021-22-Budget-Paper-No-2-Volume-1.pdf

²¹ Renewables, Climate and Future Industries Tasmania (2023) *e-Transport support*, https://recfit.tas.gov.au/e-transport

²² Gutwein (2021) *Tasmania's electric vehicle future charging ahead*,

http://www.premier.tas.gov.au/site_resources_2015/additional_releases/tasmanias_electric_vehicle_f uture_charging_ahead

²³ Renewables, Climate and Future Industries Tasmania (2021) *ChargeSmart grants*, https://recfit.tas.gov.au/chargesmart_grants

We were pleased to read in the Draft Plan that the Government will launch more financial incentives for EV chargers in 2023.²⁴ These grants should prioritise spaces which can be used by the public, in key areas which currently have low amounts of chargers, and more rural areas without EV chargers.

The Government's fleet

The Tasmanian Government has committed to making their fleet of vehicles 100% electric by 2030.²⁵ Funding was allocated for the purchase of 50 EVs in 2021-22 and 75 in 2022-23 – accounting to 10 to 20% of the Government's fleet.²⁶ 13 were purchased in 2020-21 and 39 in 2021-22.²⁷ The Government aims for the purchase of 100 EVs in 2023-24.

EV awareness

In order to charge EV uptake through increasing consumer awareness, the Tasmanian Government partnered with AEVA for "try and drive" events and advertises its policies on its website.²⁸ Between 2015 and 2020, the Government funded the Smarter Fleets program.²⁹ This supported government agencies and councils to prepare for introducing EVs into their fleets. It also assisted heavy vehicles in improving efficiency, reducing fuel expenditure and carbon emissions.

Public transport electrification

Acknowledging the potential for decarbonisation through greater public transport electrification, the Tasmanian Government committed \$18.3 million to Metro Tasmania's electric bus trial.³⁰ This will involve the trialling of battery electric buses in Launceston from late 2023 and three hydrogen fuel cell electric buses in nipaluna/Hobart from mid-2024, for up to three years.³¹ A further \$3.3 million was committed in 2023-24 State Budget towards the trial.³²

²⁴ Renewables, Climate and Future Industries Tasmania (2023) Emissions Reduction and Resilience Plan – Transport, p.14,

https://recfit.tas.gov.au/__data/assets/pdf_file/0012/479487/Consultation_draft_-

_Emissions_Reduction_and_Resilience_Plan_-_Transport.pdf ²⁵ Ferguson (2021) *Supporting Tasmania's Electric Vehicle future*,

http://www.premier.tas.gov.au/site resources 2015/additional releases/supporting tasmanias electri c_vehicle_future ²⁶ McGlone (2022) Carbon reduction plan requires work, the Mercury, pp. 22-23 (2022) Our provide the mercury of the merc

²⁷ Tasmanian Government (2023) Government Services: Budget Paper No. 2, p. 272,

https://www.treasury.tas.gov.au/Documents/2023-24-Budget-Paper-No-2-Volume-1.pdf ²⁸ Electric Vehicle Council (2022) *State of EV*, p. 38, https://electricvehiclecouncil.com.au/wp-content/uploads/2022/03/EVC-State-of-EVs-2022-1.pdf

²⁹ Renewables, Climate and Future Industries Tasmania (2021) Smarter Fleets,

https://recfit.tas.gov.au/smarter_fleets

³⁰ Renewables, Člimate and Future Industries Tasmania (2022) *Tasmanian Greenhouse Gas* Emissions Report 2022, p. 5,

https://recfit.tas.gov.au/__data/assets/pdf_file/0010/369523/Tasmanian_Greenhouse_Gas_Emissions

https://www.premier.tas.gov.au/site_resources_2015/additional_releases/zero_emission_bus_trials_f or_tasmania ³² Tasmanian Government (2023) Budget Paper No. 1, p. 6,

https://www.treasury.tas.gov.au/Documents/2023-24-Budget-Paper-No-1.pdf

Increasing public transport use

The Tasmanian Government has also made a number of commitments aimed at increasing public transport use in recent years. In the 2021-22 State Budget, the Government provided \$20 million to increase services in the Kingston area, which had experienced crowding.³³ \$5 million was also committed to park and ride facilities in Rokeby, Sorell and Glenorchy. An additional \$25.9 million was provided to Metro Tasmania to improve ticketing systems.

In the 2022-23 State Budget, the Tasmanian Government provided an additional \$17.3 million to improve park and ride services, \$8.3 million to bus stop upgrades and \$18.9 million to expand the Derwent Ferry Service.³⁴ The Draft Masterplan for this expansion is currently open for public comment, with 33 potential sites identified.³⁵

Active transport

The Tasmanian Government has also committed to increasing active transport, through 12% rebates on the purchase of an electric bike or scooter purchases.³⁶ Grants are also available for councils to improve active transport infrastructure. We should see the grants go towards policies which would increase active transport, such as safer footpaths, roads and crossings, as well as segregated bicycle lanes, rest spots, better lighting, surveillance and signage.³⁷

³³ Ferguson (2021) *Delivering better public transport for Tasmanians*, http://premierdev.dpac.tas.gov.au/budget_2021/budget_releases/delivering_better_public_transport_for_tasmanian

s ³⁴ Ferguson (2022) *Delivering the vital infrastructure projects that our growing Tasmania needs*, https://www.premier.tas.gov.au/budget_2022/budget_releases/delivering_the_vital_infrastructure_proj ects_that_our_growing_tasmania_needs#:~:text=Transport%20initiatives%20in%20the%202022,area %2C%20and%20Hobart%27s%20Northern%20suburbs

³⁵ Tasmanian Government (2023) *River Derwent Ferry Service Masterplan consultation,* https://engage.stategrowth.tas.gov.au/river-derwent-ferry-service-masterplan-consultation

³⁶ Renewables, Climate and Future Industries Tasmania (2023) *e-Transport support*, https://recfit.tas.gov.au/e-transport

³⁷ ACT Government (2015) *Building an integrated transport network*, p. 23, https://www.transport.act.gov.au/about-us/active-

travel?a=888712#:~:text=The%20ACT%20Government%20is%20building,travel%20choices%20across%20the%20ACT

Committing to policies which reduce transport emissions

Whilst the Tasmanian Government has made a good start on policies which reduce transport sector emissions, more commitments need to be made urgently to achieve the emissions reductions needed, as outlined above.

The latest figures on public transport use showed that only 2.5% of Tasmanians using a public bus to get to work.³⁸ At 31 October 2023, only 0.4% of registered vehicles in the state were electric.³⁹ Only 3% of vehicle sales in lutruwita/Tasmania in 2022 were electric.⁴⁰

In the Final Plan, we need to commitments to policies which increase public transport and electrify Tasmania's light and heavy vehicle fleets.

Emissions reduction target

An emissions reductions target for the transport sector should be set in the Final Plan. A sectoral target will give lutruwita/Tasmania something to work towards and keep the Government accountable to the public in achieving it. Submissions to the Tasmanian Climate Change Act Review overwhelming expressed a support for sector-based emissions reductions targets.⁴¹

For a high emitting scenario, the UTAS Policy Exchange has suggested that 37% of emissions would need to be reduced in all key sectors by 2030.⁴² Their weighted scenario, which suggests targets based on the opportunities for emissions abatement in the different sectors, suggests that there should be a 60% emissions reduction in the transport sector by 2030.

Given the opportunities for emissions reductions in transport when compared to other sectors, Climate Tasmania supports a target of a 60% emissions reduction in the transport sector by 2030.

Increasing public transport

In order to achieve equitable emissions reductions, the Tasmanian Government must accelerate a mode shift to greater public transport use, as acknowledged in the

⁴⁰ Which Car? (2023) ACT led electric vehicle sales per capita in 2022,

 ³⁸ ABS (2021) *Tasmania*, https://www.abs.gov.au/census/find-census-data/quickstats/2021/6
³⁹ Tasmanian Government Transport Services (2023) *Registration & Licensing Statistics*, https://www.transport.tas.gov.au/licensing/general_information/statistics

https://www.whichcar.com.au/news/act-led-electric-vehicle-sales-per-capita-in-2022; Costello (2023) VFACTS: Australia's new car sales results for 2022,

https://www.carexpert.com.au/car-news/vfacts-australias-new-car-sales-results-for-2022 ⁴¹ Tasmanian Policy Exchange (2021) *Towards a climate-positive Tasmania,* p. 12,

https://www.utas.edu.au/__data/assets/pdf_file/0009/1545561/Towards-a-climate-positive-Tasmania-02112021.pdf

Draft Plan.⁴³ The Climate Council recommends that for this to be sustainable and equitable, public transport use should be 49%.44

In its Final Plan, the Tasmanian Government should commit to this as a target. There are a number of key policies that the Tasmanian Government can commit to in the Final Plan to increase the shift to public transport.

In a Menzies survey about Tasmanians travel habits, 18% of respondents said that a lack of frequency of bus services was a barrier to their use.⁴⁵ Public bus services out of peak times, such as before 8am and after 6pm, as well as on weekends, should be increased.⁴⁶ Frequency and proliferation of bus services should also be increased in order to avoid the deterrence of long wait and journey times. Frequent services between urban hotspots, with short wait times between connecting services, would also ease public transport issues.

Unreliability of services, due to lack of staffing, has also been a problem recently.⁴⁷ On the first week of February this year, as children returned to school, more than seventy services were cancelled. The Tasmanian Rail, Tram and Bus Union said that high turnover within Metro Tasmania is due to a lack of safety, with drivers subjected to physical and verbal attacks.

Alongside addressing these staff shortages, communication around services availabilities and delays could help to provide users with surety of service. Access to public buses, particularly in rural areas, is a significant deterrent for potential users. This limits the ability of people with less physical mobility to access these services. Linking bus stops with other transport routes, such as adequate footpaths and bike lanes, can help people access public transport, as well as increase active transport.

Climate Tasmania's Transport Paper found significant scope for a reduction in bus fares to increase public transport use in June this year. Whilst urban fares by Metro Tasmania cost \$3.50 for one zone, fares increase to \$4.80 for two zones.⁴⁸ Zone two includes trips from the northern, southern and eastern suburbs into

⁴³ Renewables, Climate and Future Industries Tasmania (2023) Emissions Reduction and Resilience Plan – Transport, p.10,

https://recfit.tas.gov.au/ data/assets/pdf file/0012/479487/Consultation draft -

_Emissions_Reduction_and_Resilience_Plan_-_Transport.pdf 44 Climate Council (2023) *Shifting Gear: the Path to Cleaner Transport*, p. 14,

https://www.climatecouncil.org.au/wp-content/uploads/2023/05/CC_MVSA0354-CC-Report-Road-to-Personal-Transport_V5-FA-Screen-Single.pdf

⁴⁵ Menzies Institute for Medical Research (2018) *Tasmanian travel and physical activity study 2017*, p. 20, https://www.menzies.utas.edu.au/__data/assets/pdf_file/0003/1084269/TAPAS-summary-report.-15.02.18.-Lyth-Sharman-Cleland.pdf

⁴⁶ Department of State Growth (n.d) *Transport Access Strategy*, p. 7, https://www.stategrowth.tas.gov.au/__data/assets/pdf_file/0007/174076/Transport_Access_Strategy. PDF

⁴⁷ Rojahn and Podwinski (2023) More than 70 Metro bus services cancelled across Hobart as kids return to school, https://www.abc.net.au/news/2023-02-08/metro-bus-services-cancelled-as-childrenreturn-to-school/101944750

⁴⁸ Metro Tasmania (2023) Urban fares, https://www.metrotas.com.au/fares/urban-fares/

nipaluna/Hobart.⁴⁹ Fares increase substantially for non-urban trips, with a journey to mutatayna/South Arm costing \$8.70, for example.⁵⁰

Non-urban fares are even higher in areas not covered by Metro Tasmania. The service from nipaluna/Hobart to Sorell, for example, costs \$7.60 one way.⁵¹ Sorell is only 25 minutes from nipaluna/Hobart, and one of the fastest growing areas in the state, with a larger population than urban nipaulna/Hobart, West Hobart and South Hobart combined.⁵² This might account for the fact that only 1.7% of people living in Sorell catch public transport to work.53

Further south, the Redline service to Dodges Ferry, only forty minutes drive from nipaluna/Hobart, costs \$10.70.54 The Tassielink service to the Tasman Peninsula costs \$13.70 to Dunalley and whopping \$24.20 to Port Arthur for a trip from nipaluna/Hobart.⁵⁵ These fares have not improved since 2019.

Overcrowding on buses has been reported across the state, but is particularly bad in nipaluna/Hobart.⁵⁶ This issue is worse during peak times, including before and after school and work, and if further services were supplied could see an increase in public transport use.

In order to achieve the necessary emissions reductions in the transport sector, the Government must commit in the Final Plan to increasing public transport use by 49% through making services more frequent, cheaper, reliable and accessible.

Electric vehicle uptake targets

Climate Tasmania's Transport Paper showed that targets have provided jurisdictions internationally and nationally with a roadmap to transition to EVs. Norway has a world-leading EV uptake target, at 100% of new car sales by 2025.57 A number of countries, including the United Kingdom, Denmark, Austria, Singapore. Iceland.

⁵² Augustine (2022) Population boom: why more people are choosing Sorell,

https://www.themercury.com.au/news/tasmania/population-boom-why-more-people-are-choosingsorell/news-story/c5b3cd26b1027e4816d9b37c4ad7cdc4; ABS (2021) Sorell,

https://abs.gov.au/census/find-census-data/quickstats/2021/LGA64810; ABS (2021) Hobart, https://www.abs.gov.au/census/find-census-data/quickstats/2021/SAL60276; ABS (2021) South Hobart https://www.abs.gov.au/census/find-census-data/quickstats/2021/SAL60615; ABS (2021) West Hobart, https://www.abs.gov.au/census/find-census-data/quickstats/2021/601051033

 ⁴⁹ Metro Tasmania (2023) Fare changes, https://www.metrotas.com.au/fares/farechanges/
⁵⁰ Metro Tasmania (2023) Non-urban fares, https://www.metrotas.com.au/fares/non-urban-fares/

⁵¹ Tasmanian Government (2019) Dodges Ferry/Carlton and Sorell to Hobart bus fares, https://www.transport.tas.gov.au/ data/assets/pdf file/0003/183936/Carlton, Dodges Ferry and So

rell to Hobart fares v2.pdf

⁵³ ABS (2021) Sorell, https://abs.gov.au/census/find-census-data/quickstats/2021/LGA64810

⁵⁴ Tasmanian Government (2019) *Dodges Ferry/Carlton and Sorell to Hobart bus fares*, https://www.transport.tas.gov.au/__data/assets/pdf_file/0003/183936/Carlton,_Dodges_Ferry_and_So rell_to_Hobart_fares_v2.pdf

⁵⁵ Tasmanian Government (2019) *Tasman Peninsula to Hobart bus fares*, https://www.transport.tas.gov.au/__data/assets/pdf_file/0005/183938/Tasman_Peninsula_to_Hobart_f ares_v2.pdf

⁵⁶ Inglis (2021) Overcrowding on Tasmanian buses getting worse: RTBU,

https://www.examiner.com.au/story/7217006/overcrowding-on-tasmanian-buses-getting-worse-unionsays/

⁵⁷ NSW Government (2021) NSW Electric Vehicle Strategy, p. 6,

https://www.environment.nsw.gov.au/-/media/OEH/Corporate-Site/Documents/Climate-change/nswelectric-vehicle-strategy-210225.pdf

Ireland, Greece, Israel and the Netherlands have committed to 100% of new car sales being electric by 2030.58

In Australia, SA has signed the COP26 declaration on 100% of car sales being electric by 2040.59 Victoria, NSW and Queensland (QLD) have set the target of 52% of all light vehicle sales to be electric by 2030.⁶⁰ The ACT aim to get to 80-90% by 2030, and QLD aim to get to 100% by 2036.⁶¹ The ACT will even ban the sale of petrol and diesel vehicles from 2035.

To keep pace with its national counterparts, the Tasmanian Government should set a target of 100% of all light vehicle sales to be electric by 2030 in the Final Plan.

Electric vehicle purchase price incentives

The significant purchase price of EVs is the biggest deterrent to their uptake. EVs on the cheaper end in lutruwita/Tasmania still cost around \$45,000.62 A number of studies have found that reducing purchase price of EVs is the biggest incentive for uptake.63

Stamp duty and registration cost waivers

Climate Tasmania's Transport Paper found that ACT have waived their stamp duties for EVs on an ongoing basis.⁶⁴ NSW has waived their stamp duty until 2027 or when EVs make up 30% of new vehicle sales – whichever comes first.⁶⁵ The NT has also waived their stamp duty until 2027.66 The Victorian Government's stamp duty is discounted \$8.40 per \$200 market value, while the QLD Government charges a 2% rate, compared to the usual 3% rate on an ongoing basis.⁶⁷

https://www.environment.nsw.gov.au/-/media/OEH/Corporate-Site/Documents/Climate-change/nswelectric-vehicle-strategy-210225.pdf; Electric Vehicle Council (2022) State of EVs, p. 32,

https://electricvehiclecouncil.com.au/wp-content/uploads/2022/03/EVC-State-of-EVs-2022-1.pdf ⁶¹ ACT Government (2021) The future of ZEVs, https://www.climatechoices.act.gov.au/transport-andtravel/cars-and-vehicles/the-future-of-zevs; Electric Vehicle Council (2022) State of EVs, p. 32,

https://electricvehiclecouncil.com.au/wp-content/uploads/2022/03/EVC-State-of-EVs-2022-1.pdf ⁶² Bailey (2023) Good Car Co says EV strategy a step forward, but there is work to do,

https://www.examiner.com.au/story/8169398/tasmanias-electric-future/

⁵⁸ International Council on Clean Transportation (2022) Annual update on the global transition to EVs: 2021, p. 6, https://theicct.org/wp-content/uploads/2022/06/global-ev-update-2021-jun22.pdf ⁵⁹ Government of South Australia (2020) *Transport,* https://www.safa.sa.gov.au/environmental-s-

governance/transport#:~:text=South%20Australia%20is%20a%20signatory,zero%20emission%20car s%20and%20vans. ⁶⁰ Victorian Government (2021) *Victoria's zero emissions vehicle roadmap* p. 4, https://www.energy.vic.gov.au/__data/assets/pdf_file/0036/575676/Zero-Emission-Vehicle-ZEV-

Roadmap.pdf; NSW Government (2021) NSW Electric Vehicle Strategy, p. 20,

⁶³ E.g. Bjerkan et al. (2016) Incentives for promoting Battery Electric Vehicle (BEV) adoption in Norway,

https://www.sciencedirect.com/science/article/pii/S1361920915002126

 ⁶⁴ ACT Government (2022) ACT Zero Emissions Vehicles Strategy 2022-30, p. 16, https://www.climatechoices.act.gov.au/__data/assets/pdf_file/0006/2038497/2022_ZEV_Strategy.pdf
⁶⁵ NSW Government (2021) NSW Electric Vehicle Strategy, p. 19,

https://www.environment.nsw.gov.au/-/media/OEH/Corporate-Site/Documents/Climate-change/nsw-

electric-vehicle-strategy-210225.pdf ⁶⁶ NT Government (2021) *Northern Territory Electric Vehicle Strategy and Implementation Plan 2021-2026*, p. 14, https://dipl.nt.gov.au/__data/assets/pdf_file/0007/1027483/electric-vehicle-strategyimplementation-plan.PDF

⁶⁷ State Revenue Office Victoria (2022) Motor vehicle duty current rates,

https://www.sro.vic.gov.au/motor-vehicle-duty-current-rates; QLD Government (2022) Shifting to zero emission vehicles, https://www.qld.gov.au/transport/projects/electricvehicles/hitting-the-road

The ACT, NT and South Australia (SA) have all waived their vehicle registration costs, while Victoria and NSW offer discounts.⁶⁸ Therefore, the ACT, NSW, NT and Victorian Governments offer both a stamp duty and registration discount.

Importantly, these financial incentives are not stand-alone measures. They are often used in conjunction with other financial incentives such as stamp duty and registration waivers. The ACT has waived its stamp duty and registration costs, as well as offering loans. NSW's stamp duty reduction is offered alongside their \$3,000 rebate. SA has waived registration its alongside \$3,000 subsidy.

Given that Tasmania's new EV rebate is the lowest in the nation, we must see the Tasmanian Government waive both stamp duty and registration costs Final Plan, in order to adequately incentivise EV uptake in lutruwita/Tasmania.

Rebates, subsidies and interest free loans

Despite welcoming the Tasmanian Government's new \$2,000 rebate on EVs, we do question why the rebate is the lowest in the nation, isn't means tested for equity and will only be provided to 375 purchasers.

Climate Tasmania's Transport Report showed that QLD offers a \$6,000 rebate on EVs.⁶⁹ A rebate of \$3,000 is offered in NSW, WA and SA.⁷⁰ NSW, for example, will provide this rebate on the first 25,000 EVs sold from 1 September 2021, that have a purchase price of under \$68,750.

The Australian Council of Social Service has also suggested that financial incentives should be means tested in order to ensure that the poorest Australians do not bear the brunt of the expense of transitioning to EVs.⁷¹

The ACT Government offers an interest free loan from \$15,000 for the purchase of EVs.⁷² This scheme provides an equitable opportunity for those on lower incomes to participate in the EV transition.

https://www.climatechoices.act.gov.au/__data/assets/pdf_file/0006/2038497/2022_ZEV_Strategy.pdf; NT Government (2021) *Northern Territory Electric Vehicle Strategy and Implementation Plan 2021-2026*, p. 5, https://dipl.nt.gov.au/__data/assets/pdf_file/0007/1027483/electric-vehicle-strategyimplementation-plan.PDF; Victorian Government (2021) *Victoria's zero emissions vehicle roadmap*, p. 7, https://www.energy.vic.gov.au/__data/assets/pdf_file/0031/583726/Zero-emission-vehicleroadmap.pdf; Department of Treasury and Finance (2021) *Incentives for EV*,

https://www.treasury.sa.gov.au/Growing-South-Australia/incentives/for/Ev, https://www.treasury.sa.gov.au/Growing-South-Australia/incentives-for-electric-vehicles; NSW Government (2022) Registering an electric vehicle, https://www.nsw.gov.au/driving-boating-andtransport/vehicle-registration/how-to/electric-vehicles#toc-registration-of-electric-vehicles ⁶⁹ Brenni (2023) Making electric vehicles more affordable to slash emissions and act on climate ⁶⁹ brenni (2023) Making electric vehicles more affordable to slash emissions and act on climate

change, https://statements.qld.gov.au/statements/97613 ⁷⁰ NSW Government (2021) *NSW Electric Vehicle Strategy*, p. 9,

https://www.energymining.sa.gov.au/consumers/electric-vehicle-subsidy

⁷² ACT Government (2022) ACT Zero Emissions Vehicles Strategy 2022-30,

⁶⁸ ACT Government (2022) ACT Zero Emissions Vehicles Strategy 2022-30, p. 16,

https://www.environment.nsw.gov.au/-/media/OEH/Corporate-Site/Documents/Climate-change/nswelectric-vehicle-strategy-210225.pdf; WA Government Department of Transport (2022) *Electric vehicles*, https://www.transport.wa.gov.au/projects/zero-emission-vehicle-zev-rebate.asp; Department of Energy and Mining (2021) *Electric vehicles*,

⁷¹ Jervis-Bardy (2022) *Poorer Australians to face 'increasing burden' during EV switch, department concedes,* https://www.mudgeeguardian.com.au/story/7870706/poorer-australians-to-face-increasing-burden-during-ev-switch/

https://www.climatechoiceś.act.gov.au/__data/assets/pdf_file/0006/2038497/2022_ZEV_Strategy.pdf, p. 16;

Another equity approach the Government should consider is to prioritise rebates to people with higher than average fuel usage. Expensive housing can force people on low incomes to live a long way from where they find work, imposing higher fuel bills on them. This has the co-benefit of greater emissions reduction.

The Final Plan should make a commitment to looking into these more equitable and incentivising schemes and making provision for this in the next state budget.

Electrifying public transport

With 32% of Tasmania's transport emissions coming from heavy transport, commitments to electrifying our public bus fleet can be made in the Final Plan which will significantly reduce transport emissions in lutruwita/Tasmania.73

Climate Tasmania's Transport Paper shows thar lutruwita/Tasmania is behind its international and national counterparts in setting targets to electrify its bus fleet. Internationally, Denmark, Netherlands, New Zealand, Austria, Cape Verde, Chile, and Colombia all have targets to completely electrify their bus fleets.⁷⁴ New Zealand, for example, has set the target of all new buses purchased to be electric by 2025, and for all of their bus fleet to be electric by 2035.

States and territories across the country have made provision for electrifying their public transport fleets. Victoria has allocated \$20 million to a Zero Emissions Bus Project which will trial the use of electric buses, in the aim of all public bus purchases being electric from 2025.75 The NSW Government has committed to fully electrify their bus fleet by 2047, while the ACT aims for 2040.⁷⁶ QLD has committed to make every new bus purchase electric in South-East QLD from 2025 and regional QLD from 2025-2030.77 The WA Government has committed \$125 million, and the Commonwealth Government \$125 million, to purchasing 130 electric buses.⁷⁸

The Tasmanian Government needs to move from the trial phase like its interstate counterparts and, in the Final Plan, and commit to electrifying its public bus fleet

⁷³ Tasmanian Policy Exchange (2021) *Towards a climate-positive Tasmania*, p. 35, https://www.utas.edu.au/ data/assets/pdf file/0009/1545561/Towards-a-climate-positive-Tasmania-02112021.pdf

⁷⁴ Quicke and Parrott (2022) Next stop: Zero emissions buses by 2030, p. 7,

https://australiainstitute.org.au/wp-content/uploads/2022/05/P1229-Next-stop-for-electric-buses-WEB.pdf

⁷⁵ Victorian Government (2021) *Victoria's zero emissions vehicle* roadmap, p. 7, https://www.energy.vic.gov.au/__data/assets/pdf_file/0031/583726/Zero-emission-vehicleroadmap.pdf

⁷⁶ NSW Government (2021) Zero Emission Buses, https://www.transport.nsw.gov.au/projects/currentprojects/zero-emission-buses; ACT Government (2022) ACT Zero Emissions Vehicles Strategy 2022-30, p. 10,

https://www.climatechoices.act.gov.au/__data/assets/pdf_file/0006/2038497/2022_ZEV_Strategy.pdf ⁷⁷ QLD Government (2022) *Queensland's Zero Emission Vehicle Strategy* 2022–2032, p. 13, https://www.qld.gov.au/transport/projects/electricvehicles/zero-emission-strategy

⁷⁸ Government of Western Australia (2023) Bus fleet goes electric with \$125 million State investment, https://www.mediastatements.wa.gov.au/Pages/McGowan/2023/04/Bus-fleet-goes-electric-with-\$125million-State-investment.aspx

completely by 2030, beginning this immediately. This electrification should be easier for Metro Tasmania, who have 26 buses which can be retrofitted to battery electric.⁷⁹

Heavy vehicle electrification incentives

Trucks create a substantial proportion of the 32% of Tasmania's transport emissions that originates from heavy vehicles.⁸⁰ Across Australia, they represent 15% of emissions despite being only 1% of vehicles.⁸¹

Given that trucks are large users of fossil fuels, they have a larger decarbonisation potential than passenger EVs; Adiona Tech recently found that electrifying 10 'last mile' trucks would reduce the same amount of carbon emissions as 56 electric passenger vehicles.

Australia's trucking fleet is aging – with an overall age of 10-15 years, compared to 6-10 years in Europe – meaning that trucks are likely to need replacing soon.⁸² Further, 98% of truck operators are small or family-owned businesses, and 70% only have one truck.⁸³

The benefits to purchasers go beyond simply reducing CO₂ emissions – including ending the volatility and price associated with diesel costs, reducing maintenance costs, improving urban efficiency and delivering better conditions for truck drivers. In January 2022 – before fuel costs skyrocketed – electric trucks cost \$18 for 300 kilometres of fuel, while fuelling a diesel truck cost \$117.⁸⁴

Businesses are innovating in order to address lack of supply of electric trucks and ensure that truckers who want to switch to electric and reduce emissions can. Janus Electric, for example, convert regular large prime movers, giving them electric engines.⁸⁵ Diesel engines need to be rebuilt at 1 million kilometres – typically 4-5 years – providing a perfect time to make the switch. Under this system, batteries can be swapped out at key intervals on the road – a system that would work well with our compact geography.

A feasibility study should be conducted on implementing a similar system in lutruwita/Tasmania. Janus Electric indicates that they can license companies to carry

⁷⁹ Metro Tasmania (2021) *Annual Report 2020-21*, p. 5, https://www.metrotas.com.au/wpcontent/uploads/2021/10/210210-Metro-AR-2020-21_Final_web.pdf

⁸⁰ Tasmanian Policy Exchange (2021) *Towards a climate-positive Tasmania*, p. 35,

https://www.utas.edu.au/__data/assets/pdf_file/0009/1545561/Towards-a-climate-positive-Tasmania-02112021.pdf

⁸¹ Adiona Tech (2023) Connected Thinking, p. 4, https://uploads-

ssl.webflow.com/5f276424cd1d3033a76da418/6451ea7d71fb400e5951cb05_Connected%20Thinking %20-

^{%20}An%20Adiona%20Tech%20report%20on%20Australian%20transport%20electrification%20priorities.pdf

 ⁸² Electric Vehicle Council (2022) Electric trucks: Keeping shelves stocked in a net zero world, p. 4, https://electricvehiclecouncil.com.au/wp-content/uploads/2022/01/ATA-EVC-Electric-trucks_Keeping-shelves-stocked-in-a-net-zero-world-1.pdf
⁸³ Ibid, p. 5

⁸⁴ Foley (2022) *Make trucks electric to lift suburban curfews and ease congestion: Trucking industry*, https://www.smh.com.au/politics/federal/make-trucks-electric-to-lift-suburban-curfews-and-easecongestion-trucking-industry-20220114-p59oa0.html

⁸⁵ Janus Electric (2022), https://www.januselectric.com.au/

out electric conversation as well as battery swap and recharge stations meaning that this work could be carried out in lutruwita/Tasmania.

The Electric Vehicle Council and the Australian Trucking Association have recommended assistance from governments to increase uptake. They've suggested that governments should provide purchase price incentives, invest in charging infrastructure, adopt a target of 30% of new truck sales to be electric by 2030, exempt electric trucks from urban curfews and change weight and width limits to accommodate batteries.⁸⁶ The Tasmanian Government should adopt these recommendations in its Final Plan.

Determining largest users

Determining the largest users of fossil fuels for transport would allow the Government to develop more targeted electric vehicle incentivisation policies which maximise decarbonisation potential.⁸⁷

Information on large users of fossil fuels is already collected by fuel distributors and fuel card companies. Requirements can be made under Section 9 of the *Climate Change (State Action) Act* for this to be provided to the Government.

⁸⁶ Electric Vehicle Council (2022) *Electric trucks: Keeping shelves stocked in a net zero world*, p. 13, https://electricvehiclecouncil.com.au/wp-content/uploads/2022/01/ATA-EVC-Electric-trucks_Keepingshelves-stocked-in-a-net-zero-world-1.pdf

⁸⁷ Janelle London, Matthew Metz, Paul Rosler, Til Dietrich (2023) *Gasoline Superusers 2.0*, https://coltura.org/wp-content/uploads/2023/03/Report-COLTURA-2.0.pdf

Conclusion and recommendations

In order to achieve the target of net zero by 2030 required by *The Climate Change* (*State Action*) *Act 2008*, the Tasmanian Government needs to reduce the state's continued emissions.

Lucky for us, the transport sector provides opportunities for immediate abatement and emissions reductions are supported by Tasmanians.

Tasmanian Government has made steps towards transport sector decarbonisation, through policies such as electric bike subsidies, a commitment to electrify its fleet, public transport upgrades and an electric bus trial.

However, public transport use, as well as the number of EVs, are low in the state. The Tasmanian Government is currently falling behind its interstate counterparts in decarbonising the transport sector. More needs to be done to accelerate the move to low emissions travel.

The Transport Sector Emissions Reduction and Resilience Plan provides an excellent opportunity for the Tasmanian Government to make policy commitments to achieve this. In the Final Plan, the Tasmanian Government needs to commit to:

- 1. An emissions reductions target for the transport sector of 60% by 2030;
- 2. Setting a target for an increased public transport uptake of 49% by 2030, and policies which increase public transport use such as making services more frequent, cheaper, reliable and accessible;
- 3. Setting a target of all new light vehicle sales to be electric by 2030;
- 4. Stamp duty and registration waivers to incentivise EV uptake, as well introducing more equitable and incentivising purchase price incentives than the current rebate;
- 5. Moving out of the trial phase and electrifying the public bus fleet immediately, working towards a target for complete electrification by 2030;
- 6. Increasing electric trucking by introducing purchase price incentives, investing in charging infrastructure, adopting a target of 30% of new truck sales to be electric by 2030, exempting electric trucks from urban curfews, changing weight width limits to accommodate batteries and by a feasibility study into swappable battery system; and
- 7. Determining the largest users of fossil fuels for transport so decarbonisation policies can be targeted for the biggest emissions reduction.