

ELECTRIC VEHICLE EXCISE — HIGH COURT RULING

784. Mr R.S. LOVE to the Minister for Transport:

I refer to the High Court’s determination that Victoria’s state-imposed electric vehicle tax is unconstitutional and I note the Western Australian Labor government’s previously announced EV tax, based on the Victorian model, which is slated to come into effect in 2027.

- (1) Will the minister seek advice to determine whether she needs to scrap the electric vehicle excise proposed for this state?
- (2) What plans does the minister have to address any decrease in the flow of future road funding to the state from the commonwealth government due to the increasing use of electric vehicles?

Ms R. SAFFIOTI replied:

- (1)–(2) As part of our strategy to support electric vehicle usage, we introduced subsidies to encourage the purchase of EVs in this state. Of course, there has been extraordinary demand for EVs across the world, so there is a bit of a supply issue for the state. Anyone who has ever tried to buy one will understand that there are supply issues. But our overall strategy includes subsidies to encourage people to use EVs and the installation and rollout of EV charging across the state, which the Minister for Energy and the Minister for Climate Action are in charge of. Another issue is making sure that there will be a revenue stream in future to support road construction and maintenance.

The plan was to have a model similar to that in Victoria to start in 2027. Of course, the recent High Court decision means that every state and territory will be re-looking at how they will analyse this issue in the future. We have always said—this is my personal opinion—that there should be a nationally consistent approach to this issue. We do not want every state doing different things and then, in 20 years’ time, some sort of government review will say, “We should have a standardised system.” In my view, we should at the very start have all the states and territories under commonwealth leadership and a consistent regime. For states where the borders are very close to each other, having different systems across the country makes no sense to me. The government’s opinion is that there should be a consistent national approach. We will continue to have discussions at the federal level on how we approach this. With regard to commonwealth funding for roads, that will have a big impact because the levy will be reduced in future years. That is why we believe it should be an issue that the commonwealth government takes up, and that there should be a nationally consistent approach.