



Speech by

**Andrew Cripps**

**MEMBER FOR HINCHINBROOK**

Hansard Wednesday, 17 October 2007

---

## **TRANSPORT OPERATIONS (ROAD USE MANAGEMENT—GREEN VEHICLES CONCESSION) AMENDMENT BILL**

**Mr CRIPPS** (Hinchinbrook—NPA) (7.49 pm): It is with pleasure that I rise to make a contribution to the debate on the Transport Operations (Road Use Management—Green Vehicles Concession) Amendment Bill. In doing so, I congratulate the shadow minister for sustainability, climate change and innovation, the member for Burdekin, for introducing this bill, which is a progressive and innovative policy. Unfortunately, the government has indicated that it will not support the legislation, as usual, for some base political purposes.

The stated objective of the bill is to amend the Transport Operations (Road Use Management) Act 1995 to give registration concessions to Queenslanders who buy hybrid vehicles and vehicles that run on electricity. Petrol electric hybrid vehicles use up to 50 per cent less fuel than conventionally powered vehicles and cut exhaust pollution by up to 80 per cent. These cars are seen as environmentally friendly and a proactive way of reducing carbon emissions.

However, the uptake of hybrid vehicles by consumers has been limited. They are commonly seen as too expensive as far as their up-front costs are concerned when compared to similarly priced conventional vehicles, despite lower ongoing running costs. This has so far restricted sales of hybrid vehicles. In view of widespread public concern about carbon emissions, it is expected that governments intend to impose increasingly stringent emissions regulations. These restrictions may manifest themselves in a number of ways, including reduced access to inner-city roads, more toll roads and increased taxes on vehicles. These policies are aimed at reducing fuel consumption in general. Hybrid vehicles are ideally suited to lessen the effects of spiralling fuel costs on consumers and reduce emissions, particularly in urban and city areas.

Currently, there are no financial incentives offered by the state government to promote and increase the adoption of environmentally friendly, fuel efficient hybrid and electric vehicles. Providing registration concessions for hybrid and electric vehicles will reduce those up-front fixed costs that have held back consumer demand thus far and increase their attractiveness to private individuals as well as businesses with fleets.

Offering financial incentives to stimulate consumer demand is consistent with other current state government initiatives offering Queenslanders a greater choice of energy sources and more opportunities to reduce energy consumption to help the environment. There are a number of programs, amongst them a number of commendable programs. These include the ClimateSmart Homes rebate scheme, the Energy Choices program, the Home WaterWise Rebate Scheme and the Home Garden WaterWise Rebate Scheme—as we can see, rebates and incentives aplenty for state government policies and programs that the government proposes.

This policy is consistent with the initiatives implemented by the government itself and indeed widely celebrated and promoted by the government. It begs the question as to why the government would not support this initiative brought forward by the Queensland coalition in the form of this private member's bill. The answer is of course that this state Labor government, like the Beattie Labor government before it, has

a fair-weather friend, media-driven approach to environmental policy and acts on issues only when it suits its political goals.

On the issue of motor vehicles, the state Labor government has demonstrated that its policy is not to provide registration concessions for environmental vehicles but to force up the costs of purchasing new and second-hand conventional vehicles. Like the rest of my colleagues from the Queensland coalition, I was appalled at the decision by the state government to increase stamp duty on the sale of motor vehicles. While this state government has made a big fuss over its belated decision to phase out mortgage duty over the next three years, it is hitting almost every decent, ordinary Queenslanders with this decision to increase stamp duty on both new and second-hand motor vehicles and, most significantly, on heavy transport vehicles and utilities. Almost no driver will be spared by this tax grab, which will be imposed on Queenslanders from 1 January 2008. Stamp duty on a four-cylinder car will increase by 50 per cent. Stamp duty on six-cylinder vehicles will increase by 75 per cent. On vehicles with eight or more cylinders, stamp duty will increase by 100 per cent. This is an outrageous and greedy grab for extra tax dollars out of the pockets of Queenslanders.

When this greedy stamp duty hike was announced by the former Premier and the current Premier, who was then the Treasurer, ahead of the state budget in May this year, it was dressed up as an environmentally friendly rating system to provide an incentive for individuals to play their part in helping to tackle global warming through purchasing smaller vehicles by minimising the stamp duty increase on hybrid cars and holding the stamp duty on the sale of those vehicles at two per cent. The former and current premiers said that they felt the government had come up with a new system of motor vehicle duty that would encourage smaller cylinder purchasing for new cars and make a meaningful contribution to combat global warming by providing incentives to take up low-emitting activities—a message that was repeated by the minister earlier tonight. That assertion could not have been further from the truth. This was not a positive policy to encourage consumers to move to hybrid cars; rather it was just a punitive, big-stick policy approach that slugged families by increasing the cost for purchasing conventional vehicles. There was nothing progressive about it at all.

In contrast, this private member's bill by the Queensland coalition proposes a real incentive—a positive incentive—for consumers to move to hybrid and electric cars by making them more affordable. As I said earlier, the uptake of hybrid vehicles by consumers has been limited because they are commonly seen as being too expensive as far as the up-front costs are concerned when compared to similarly conventional vehicles, despite lower ongoing running costs.

So while we know that those higher, up-front, fixed costs have dampened consumer demand for hybrid cars, the state government's solution was to make conventional vehicles more expensive rather than making hybrid vehicles less expensive. What a punitive and poorly conceived policy. Indeed, as the stamp duty applies to both new and second-hand cars, it will have a particularly harsh impact on battling Queensland families with children who need to buy a large vehicle—like an ordinary six-cylinder Commodore or an ordinary six-cylinder Falcon—to fit the whole family in. They will be slugged with the state Labor government's extra 75 per cent increase in stamp duty. Those battling families who can only afford to be in the market for a second-hand six-cylinder vehicle will be similarly slugged with a 75 per cent stamp duty increase. As I said earlier, currently there are no financial incentives offered by this state Labor government to promote and increase the adoption of environmentally friendly, fuel efficient hybrid and electric vehicles—only punitive financial penalties.

In the same announcement, the former and current premiers went on to try to justify the greedy grab by suggesting that the extra stamp duty revenue collected on the sale of new and second-hand motor vehicles was needed to put more funds into social services, and they singled out mental health services for particular attention. That was particularly offensive, as mental health issues in Queensland communities are very important issues. I think it was inappropriate for the government to link funding for mental health services with stamp duty collected from the sale of motor vehicles—especially when the minister came in tonight and linked the collection of stamp duty directly with roads. I agree with the minister on that point—that is where it should be going—but the press release from the former Premier and the current Premier in early May made specific mention of social services, particularly mental health services. I thought that was particularly offensive.

There is no direct link between mental health funding and the stamp duty collected on motor vehicles—except that concocted by this government. In contrast, this bill from the Queensland coalition is an honest and progressive attempt to do something positive and proactive about encouraging consumers to buy environmentally friendly hybrid vehicles. I support the bill and I encourage all members to do so, especially government members who are being afforded the opportunity by the opposition to be fair dinkum and support a practical environmental initiative.