



**Media release
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Federal Budget: Fine tuning still needed for safer roads

The RACT has broadly welcomed the road-related measures announced in last night's Federal Budget, saying some fine tuning is still needed to make Tasmanian roads safer for all.

"The Federal Budget contains some strong measures for Tasmanian roads, however there's always more that can be done to make them safer and address the state's appalling rates of road death and serious injury," said RACT Chief Advocacy Officer Garry Bailey.

"The RACT campaigned during the federal election for a significant increase in funding for the Tasman Highway, and we were pleased to see \$100 million included as part of the \$571 million Tasmanian major highway package.

"This package covers the Bass, Tasman, East Tamar and West Tamar Highways and we are now waiting to see timelines for the projects so they can start making a difference to Tasmanian road safety as soon as possible."

Mr Bailey also called for 100 per cent of fuel excise allocated to highways and roads for maintenance, upgrades and new construction.

"While the budget allocation of 92 per cent of the net fuel excise being returned to land infrastructure over forward estimates is a vast improvement on the average over the past decade, the RACT wants to see 100 per cent allocated to our highways and roads for maintenance.

"We also want to see reform in the tax regime to switch from fuel excise to a road user tax, to account for the increasing number of electric vehicles, which currently do not contribute any tax to our roads through the fuel excise.

"On electric vehicles, we welcome the purchase tax cuts which from 1 July 2022, will exempt battery, hydrogen fuel cell and plug-in hybrid electric cars from fringe benefits tax and import tariffs if they have a first retail price below the luxury car tax threshold for fuel-efficient cars.

"Cost is a major barrier to EV take-up, and it's important all levels of government work towards initiatives that reduces prices.

"The RACT wants to see state and local governments increase electric vehicle uptake in their own fleets to increase the number of EVs coming onto the used-vehicle market over the next five years, putting them within reach for more Tasmanians."