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Mr Tony Zappia MP
Chair, Standing Committee on Climate Change,
Energy, Environment and Water
PO Box 6021
CANBERRA ACT 2600

Via email: CCEEW@aph.gov.au

RE: Inquiry into the transition to electric vehicles

Friday, 22 March 2024

Dear Mr Zappia,

The signatories to this submission are pleased to provide a submission to the Inquiry into the transition to electric vehicles (EVs).

The Australian bicycle sector

The Australian bicycle organisations co-signing this submission are pleased to present responses and information to the Inquiry into the transition to electric vehicles to assist the Committee consider 'the necessary resources, systems and infrastructure for this transition and the impacts of moving away from traditional vehicles'.

These organisations have a combined national membership of 141,500 and represent the 9.52 million Australians who rode a bike in 2023¹.

This submission is tendered on behalf of the following Australian bicycle organisations: AusCycling, Bicycle Network, Bicycle NSW, Bicycle Queensland, Bike SA, Pedal Power ACT, We Ride Australia and WestCycle.

I. INQUIRY RESPONSE

Australia is seeking to capture the opportunities for an orderly transition to transport electrification and provide access to the best transport technologies to not only meet our emissions targets but also provide equitable and affordable mobility options for all Australians.

In addressing the terms of reference for this inquiry, we acknowledge the importance of ensuring the transition to EVs is facilitated and encouraged through targeted action nationally and in particular, for those Australians who must travel significant distances in regional and remote parts of the country.

¹ https://www.cwanz.com.au/wp-content/uploads/2023/08/NWCPS_2023_report_v1.3.pdf, accessed on 20 March 2024.

We are concerned however that the terms of reference for this inquiry nowhere mention any mode other than EVs.

While the inquiry is considering resources and infrastructure to ensure EVs provide a viable alternative to internal combustion engine (ICE) vehicles, the decarbonisation of our national transport fleet must also include consideration of sensible alternatives.

Indeed, our transport system has characteristics that suit adoption of active transport (walking and cycling) with around half of all trips for all purposes 5 kilometres or less and a third just 3 kilometres or less. In Sydney alone, 2 million trips every day are less than 2 kilometres².

As a sector, we have previously called on the Government³ to plan for a multi-modal approach that leverages the accessibility, cost-effectiveness and ultra-low or zero emissions of active transport and light electric vehicles – walking and cycling including e-bikes, adaptive mobility and e-cargo bikes – as part of the strategic approach to decarbonising our transport system.

Policy and investment to boost active transport addresses many of the terms of reference of this inquiry. An increase in active transport trips would:

- Reduce pressure to establish the resources, systems and infrastructure required to support the transition to EVs
- Reduce the impact on the environment – one Tesla (long range battery) contains approximately the same number of cells as 147 e-bike batteries
- Increase the opportunities to reduce the cost of transport for Australian families
- Reduce the impact on electricity consumption and demand
- Reduce the scale required for expanded EV battery manufacturing, recycling, disposal and safety
- Reduce the impact of Australia’s limited EV supply compared to peer countries as e-bikes are not as supply constrained, are much cheaper and bikes in general are present in almost every household, and
- Light electric vehicles, e-bikes and adaptive e-assist trikes provide cheaper, more equitable mobility options for the many Australians who are currently excluded from driving cars due to disability, exclusion, cost or age.

We ask that the Inquiry note that multiple modes will contribute to the Government’s NetZero agenda for transport and that cycling can contribute to many of the Terms of Reference.

II. Mode shift – a vital complimentary decarbonisation strategy

Rapid decarbonisation of the transport system is likely to require more than simply exchanging an ICE car with an EV. Perpetuation of our car-based transport system also perpetuates poor road safety outcomes, traffic congestion, ongoing particulate pollution from car tyres and poor liveability in our suburbs.

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<https://www.transport.nsw.gov.au/sites/default/files/media/documents/2017/HTS%20Report%20Sydney%202012-13.pdf>, accessed on 22 March 2024.

³ See submission to National Electric Vehicle Strategy here: <https://www.weride.org.au/policy-planning/australian-bicycle-organisations-join-with-weride-for-national-submission/>

Modelling by the Climate Council in their report *Shifting Gear: The path to cleaner transport*⁴ demonstrated how our choices in personal transport can contribute to a rapid reduction in carbon emissions this decade if we facilitate mode shift.

Such is the potential for rapid and affordable transformation of our transport system with e-bikes, that the University of Oxford's Christian Brand has stated⁵ that '*cycl*ing is ten times more important than electric cars for reaching net-zero cities'.

II. We ask that the Inquiry note that the opportunity to broaden the focus to a transition leveraging both active transport and EVs is significant with active transport already contributing significant benefits as part of our transport system.

III. Cost of living

With national attention focused on a 'cost of living crisis' attention is appropriately focused on lowering the cost of the transition to EVs and on measures to save Australians through introduction of a fuel efficiency standard.

The Australian Automobile Association's latest edition of the Transport Affordability Index⁶ shows the typical Australian household is now spending 14.6 per cent of their budget on transport costs. This is the highest percentage since the Index commenced five years ago.

The proportion of Australians 15 yrs and over with a driving license is just 77%⁷ and a focus on EVs to the exclusion of other modes ignores the fact that more than one in five Australians do not drive, whether due to cost, disability or other reason. This statistic also does not account for the nations children who are predominantly driven to school.

Active transport and shared transport are equitable and highly cost-effective options that both lower cost of living pressures and provide accessible options for those excluded from driving cars.

As mentioned above, around half of all trips for all purposes are 5 kilometres or less and a third are just 3 kilometres or less, distances that are eminently suitable for walking and cycling, and especially when the latest e-bikes and adaptive mobility machines are taken into account.

⁴ [Shifting gear: The path to cleaner transport | Climate Council](#), accessed on 20 March 2024.

⁵ <https://theconversation.com/cycling-is-ten-times-more-important-than-electric-cars-for-reaching-net-zero-cities-157163>, accessed on 20 March 2024.

⁶ <https://www.aaa.asn.au/wp-content/uploads/2021/05/Transport-Affordability-Index-Q1-2021-v.2.pdf>, accessed on 20 March 2024.

⁷ <https://www.abs.gov.au/census/find-census-data/quickstats/2021/701041037>, accessed on 20 March 2024.

III. We ask this inquiry to recognise that mode shift to active transport provides significant cost of living relief as well as equitable and accessible transport options and is a vital component of the decarbonisation of our transport system and that it should be facilitated in all government policy and investment programs.

IV. Carbon reduction and wider benefits

In 2022, WeRide's *Australian Cycling and e-Scooter Economy Report*⁸ revealed bike commuters avoided:

- 514,096 tonnes of carbon dioxide (tCO₂e) emitted through avoided car trips (mode shift), which was the equivalent of taking 207,000 cars off the road for a year (this figure is 10 times greater than the number of EVs sold⁹), and
- 2.2m kg of air pollutants avoided over the year.

In terms of the wider benefits of this mode shift, cycling also contributes significantly to our health, economy, jobs and regional development. In 2022, the bicycle sector:

- contributed \$16.9 billion to the Australian economy
- Supported 60,000 FTE jobs
- Contributed \$954 million in health and social benefits, and
- \$1.9 billion through cycle tourism (mainly to regional economies)¹⁰.

IV. We ask that the Inquiry notes that a transition that includes a focus on active transport as well as to EVs has the potential to accelerate decarbonisation of the transport system and provide a range of wider benefits to health, equity, accessibility and the environment.

V. Incentives for mode shift

The impact of incentives to boost the uptake of e-bikes to promote mode shift has been modelled.

Following the release of the latest Australian Transport Assessment and Planning Guidelines by Austroads the modelling study identified that providing direct incentives for the purchase of e-bikes returned \$7 for every dollar invested¹¹.

The benefits identified in the modelling included:

- Air pollution
- Congestion

⁸ https://www.weride.org.au/wp-content/uploads/2023/11/The_Australian_Cycling_and_e-scooter_Economy_in_2022_WeRide_and_EY_2023_Report_Final_web.pdf, accessed on 20 March 2024.

⁹ <https://www.fcai.com.au/news/index/view/news/787>, accessed on 20 March 2024.

¹⁰ https://www.weride.org.au/wp-content/uploads/2023/11/The_Australian_Cycling_and_e-scooter_Economy_in_2022_WeRide_and_EY_2023_Report_Final_web.pdf, accessed on 20 March 2024.

¹¹ <https://www.weride.org.au/policy-planning/new-data-on-e-bike-incentives-released/>, accessed on 20 March 2024.

- Noise pollution
- Health
- Car user costs
- Economic benefit per km travelled
- Infrastructure costs
- Journey ambience, and
- Parking costs.

Incentive programs are already being offered across comparator OECD countries. There are over 300 tax and purchase incentive programs across Europe.¹² and 168 in North America.¹³

In Australia, the Tasmanian Government.¹⁴ and the Cities of Adelaide.¹⁵ and Holdfast Bay.¹⁶ in South Australia are leading with incentives to get more residents using e-bikes for local trips.

In order to boost transport decarbonisation, the Australian cycling sector has previously argued.¹⁷ that the Commonwealth should provide parity of treatment for light electric vehicles (LEVs) such as e-bikes with its legislated treatment of EVs for FBT relief and other incentives.

V. We call on this inquiry to find that parity of treatment with incentives for EVs should be provided to LEVs.

VI. Australia ready to move on mode shift.

Research conducted by Monash University has shown that Australians would be willing to consider cycling for transport in greater numbers than previously thought. A team led by Dr Lauren Pearson found that up to 78% of respondents in their research.¹⁸ were interested in riding a bike but had particular barriers preventing them doing so.

In 2023, 9.52 million Australians rode a bike and 3.88 million Australians did so in a typical week.¹⁹ This familiarity with cycling represents a huge cohort which could conceivably consider cycling for transport, reduce pressure on increasingly congested roads and contribute to the NetZero transport task.

Our children would benefit from a transition to cycling (to school) again.

¹² https://ecf.com/resources/financial-incentives?country_region=All&g=All&b=3, accessed on 20 March 2024.

¹³ <https://trec.pdx.edu/e-bike-research>, accessed on 20 March 2024.

¹⁴ <https://www.service.tas.gov.au/services/government-help-and-support/concessions-and-discounts/apply-for-an-electric-vehicle-or-e-mobility-rebate>, accessed on 20 March 2024.

¹⁵ <https://www.cityofadelaide.com.au/about-council/grants-sponsorship-incentives/incentives-for-sustainability/>, accessed on 20 March 2024.

¹⁶ <https://www.holdfast.sa.gov.au/e-bikes-added-to-green-living-rebates-on-offer>, accessed on 20 March 2024.

¹⁷ [Australian bicycle organisations join with WeRide calling for national strategy to include bikes | We Ride Australia](#), accessed on 20 March 2024.

¹⁸ [Barriers and enablers of bike riding for transport and recreational purposes in Australia — Monash University](#), accessed on 20 March 2024.

¹⁹ https://www.cwanz.com.au/wp-content/uploads/2023/08/NWCPS_2023_report_v1.3.pdf, accessed on 20 March 2024

A recent 2023 report identified that 25% of the morning peak on Melbourne’s roads between 8am and 9am were to a primary or secondary school²⁰.

With fewer than one quarter of Australian children meeting the national guidelines for the recommended levels of daily physical activity needed for optimal health and wellbeing²¹, it is clear that simply focusing on the transition to EVs does nothing to address some of the significant issues with cars around the school gate, congestion during peak hours and resulting road safety concerns around our schools.

VI. We call on the Inquiry to recognise that significant impact in mode shift could be made in specific categories of transport trips, local trips and the daily trip to education in particular and that targeted measures could significantly change the passenger transport task in these instances to one of low or zero emissions active transport.

CONCLUSION

We support the House of Representatives Standing Committee on Climate Change, Energy, Environment and Water’s inquiry into the transition to electric vehicles as an important and necessary review and exploration of resources, systems and infrastructure for this transition and the impacts of moving away from traditional vehicles.

This includes our support for a fuel efficiency standard.

Key Recommendations

- I. We ask that the Inquiry note that multiple modes will contribute to the Government’s NetZero agenda for transport and that cycling can contribute to many of the Terms of Reference.
- II. **Mode Shift:** We ask that the Inquiry note that the opportunity to broaden the focus to a transition leveraging both active transport and EVs is significant with active transport already contributing significant benefits as part of our transport system.
- III. **Cost of Living:** We ask this inquiry to recognise that mode shift to active transport provides significant cost of living relief as well as equitable and accessible transport options and is a vital component of the decarbonisation of our transport system and that it should be facilitated in all government policy and investment programs..
- IV. **Carbon Reduction:** We ask that the Inquiry notes that a transition that includes a focus on active transport as well as to EVs has the potential to accelerate decarbonisation of the transport system and provide a range of wider benefits to health, equity, accessibility and the environment.
- V. **Incentives for Mode Shift:** We call on this inquiry to find that parity of treatment with incentives for EVs should be provided to LEVs.

²⁰ https://www.victoriawalks.org.au/Assets/Files/Walking_in_Melbourne_2023_update.pdf, accessed on 20 March 2024.

²¹ <https://achper.vic.edu.au/achper/public/news/news-items/2022-Australian-Physical-Activity-Report-Card-released.aspx>, accessed on 20 March 2024.

VI. **Australia ready to move on Mode Shift:** We call on the Inquiry to recognise that significant impact in mode shift could be made in specific categories of transport trips, local trips and the daily trip to education in particular and that targeted measures could significantly change the passenger transport task in these instances to one of low or zero emissions active transport.

We are concerned that the terms of reference exclude active transport modes that are a vital part of the transport mix if we are to meet our transport decarbonisation target by 2030 and 2050.

We urge the Committee to consider incentives for active transport as part of the transition to EVs and we thank you for the opportunity to provide input to the Inquiry.

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This submission is tendered on behalf of the following Australian bicycle organisations:



AusCycling



Bicycle Network



Bicycle NSW



Bicycle QLD



Bike SA



Pedal Power (ACT)



WeRide



WestCycle