The Australia Institute
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Tasmania

Submission to Tasmania's draft Emissions Reduction and Resilience Plan – Transport

The Tasmanian Government's draft Emissions Reduction and Resilience Plan (ERRP) for transport lacks all ambition. It introduces no new targets, actions or timelines to decarbonise the sector, and in its current form, is unlikely to lead to a reduction in transport emissions. Without significant revision, the ERRP will leave Tasmania with some of the weakest transport emissions reduction commitments in Australia. The Australia Institute recommends that the final ERRP adopts a range of targets and actions that demonstrate a commitment to climate action.

Evie Simpson

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ACKNOWLEDGEMENT OF COUNTRY

The Australia Institute Tasmania acknowledges that Tasmania was taken forcibly and unethically, and that Tasmanian Aboriginal people continue to suffer the consequences of this today. The Institute offers respect to Elders past and present. We stand for a future that recognises Aboriginal and Torres Strait Islander sovereignty and respects and acknowledges their perspectives, culture, language, and history.

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Summary

The Tasmanian Government's draft Emissions Reduction and Resilience Plan (ERRP) is being developed to support Tasmania's legislated target of net zero emissions by 2030.[1] The ERRP identifies priority areas and highlights future opportunities to "provide [Tasmania] with a pathway to decarbonise Tasmania's transport industry over the next 5 years"[2]; however, the draft ERRP contains no meaningful targets, explicit actions or concrete timelines for reducing emissions to ensure such a pathway is taken. Without strong commitment from the Tasmanian Government, it is unlikely that the ERRP for the transport sector will lead to the necessary reduction in emissions over its five-year term.

To develop an ERRP to decarbonise Tasmania's transport sector more effectively and reduce emissions, the Australia Institute Tasmania recommends including the following commitments and targets in the final ERRP:

1. Set a transport sector emissions reduction target of a 37% reduction on 2020 levels by 2030.
2. Commence an e-bike library trial in Tasmanian towns.
3. Introduce a grant program to support businesses to switch to cargo e-bikes.
4. Set a target of 67% of new passenger vehicle sales to be EVs by 2030, and 100% by 2035.
5. Commit to introducing stamp-duty and registration waivers to incentivise EV uptake, as well as introducing more equitable and incentivising purchase-price incentives than the current rebate.
6. Include a target of 100% of new bus purchases being electric by 2025, and 100% of the bus fleet being electric by 2030.
7. Increase public transport accessibility to 49% by making public transport services cheaper, more frequent and more reliable in both urban and non-urban areas.
8. Commit to developing Hobart's northern suburbs railway, between Bridgewater and the CBD.
9. Develop an online reporting platform to track emissions from Tasmania's transport sector.

[1] Climate Change Office (2023) *Emissions Reduction and Resilience Plan – Transport: consultation draft*, p 8, https://recfit.tas.gov.au/__data/assets/pdf_file/0012/479487/Consultation_draft_-_Emissions_Reduction_and_Resilience_Plan_-_Transport.pdf

[2] Ibid, p 8

Introduction

Tasmania achieved and has maintained net zero emissions since 2014.[3] This has been due in part to the state's high capacity for renewable energy generation. However, the primary reason has been changes in land use practices and reduced native forest logging, which have enabled greater storage of carbon (net negative emissions generated from the land use, land use change and forestry (LULUCF).

Despite its favourable emissions status and high level of renewable energy production, Tasmania is lagging behind most other Australian jurisdictions when it comes to taking action on climate change. When LULUCF emissions are discounted, Tasmania's annual emissions increased 1990 and 2018, showing that it has failed to actively decarbonise other sectors of its economy.[4] Because of this reliance on carbon sequestration from LULUCF, Tasmania's emissions are predicted to exceed net zero by 2050 unless significant decarbonisation occurs across key emitting sectors.[5]

The Tasmanian Government is required by the *Climate Change (State Action) Amendment Act 2022* ("the Act") to develop Emissions Resilience and Reduction Plans (ERRPs) for key emitting sectors in Tasmania's economy. These are required to be updated every five years. The ERRPs are required to support:

> (a) greenhouse gas emissions reduction; and
>
> (b) the transition to a low emissions economy; and
>
> (c) resilience to climate-related risks.[6]

The Australia Institute welcomes the opportunity to make a submission to the draft ERRP for Tasmania's transport sector. The ERRP for the transport sector outlines five key priority areas:

- Increasing the use of public and active transport in Tasmania
- Increasing the number of low-emissions cars and other light vehicles on Tasmanian roads
- Increasing the number of low-emissions heavy vehicles on Tasmanian roads
- Supporting the transport sector to transition to low emissions and build resilience

[3] Climate Change Office (2022) *Tasmanian Greenhouse Gas Emissions Report*, https://recfit.tas.gov.au/__data/assets/pdf_file/0006/440592/Tasmanian_Greenhouse_Gas_Emissions_Report_2023.pdf
[4] Ibid.
[5] Point Advisory (2021) Tasmanian Emissions Pathway Review – technical report, https://recfit.tas.gov.au/__data/assets/pdf_file/0009/348948/Tasmanian_Emissions_Pathway_Review_-_Technical_Report.pdf
[6] *Climate Change (Statewide Action) Act* (Tas) Amended 2022, s6 5A(5)

- Supporting actions through partnerships with governments, industry and other stakeholders.[7]

While The Australia Institute supports these priority areas, they must be supplemented with specific, measurable and time-bound targets and actions to ensure outcomes are achieved within the ERRP's five-year term. Without concrete commitments, the ERRP will be yet another example of the Tasmanian Government failing take effective action to decarbonise the state's economy and reduce emissions outside of the LULUCF sector.

[7] Climate Change Office (2023) *Emissions Reduction and Resilience Plan – Transport: consultation draft*, p 9, https://recfit.tas.gov.au/__data/assets/pdf_file/0012/479487/Consultation_draft_-_Emissions_Reduction_and_Resilience_Plan_-_Transport.pdf

Set targets to drive down emissions

In 2021, Tasmania's transport sector was responsible for 21% of the state's emissions.[8] Over 90% of emissions from the transport sector are attributable to road transport, with private cars making up the vast majority of vehicles.[9] This high dependency on private vehicles combined with Tasmania's high capacity for renewable-energy production means that there is significant opportunity to substantially reduce emissions from the sector through a rapid uptake of electric vehicles (EVs), and an increase in public and active transport utilisation.

However, the draft ERRP fails to provide an adequate pathway to reduce emissions. In its current form, the draft ERRP is primarily composed of "current actions" and "future opportunities" and does not set any targets or specify timeframes for decarbonisation opportunities to be implemented. Without committing to such actions, it is unclear how the ERRP will achieve any meaningful reduction in transport emissions during its five-year term.

It is essential that the ERRP includes a suite of meaningful actions and ambitious targets for the transport sector. This should include an overarching sectoral emissions reduction commitment. Research by the Tasmanian Policy Exchange suggests that a 37% emissions reduction on 2020 levels by 2030 is an achievable target.[10]

Recommendation: Set a transport sector emissions reduction target of a 37% reduction on 2020 levels by 2030.

[8] Renewables, Climate and Future Industries Tasmania (2023) *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] Climate Change Office (2023) *State of Play Report*, p 9, https://recfit.tas.gov.au/__data/assets/pdf_file/0011/473384/State_of_Play_Report_-_Transport.pdf

[10] Tasmanian Policy Exchange (2023) *Options for reducing Tasmania's transport emissions,* https://www.utas.edu.au/__data/assets/pdf_file/0004/1667578/Transport-emissions-discussion-paper-28072023-final.pdf

Public and active transport

While the rapid adoption of EVs in Tasmania's transport sector is crucial, a mode shift in transport is the most efficient and effective way to reduce transport emissions in urban areas.[11] Reducing the number of vehicles in use is a critical action to reduce emissions from the transport sector, but few Tasmanians utilise – or have access to – reliable public transport and accessible active transport.

ACTIVE TRANSPORT

The Climate Council identifies that achieving a significant mode shift from motorised vehicles to active transport is one of the fastest ways to significantly cut emissions in the transport sector.[12] The Tasmanian Government has taken steps towards supporting the increase of active transport, such as the recently introduced 12% rebates on the purchase of an electric bike or scooter.[13] The draft ERRP outlines some worthwhile "future opportunities" for increasing active transport uptake in Tasmania, such as:

> Additional measures to support Tasmanians to access alternative modes of active transport, for example through e-bike libraries, long-term e-bike rentals, and supporting businesses to switch to cargo e-bikes for local deliveries.[14]

To ensure these opportunities are realised, the ERRP should commit to trialling these initiatives throughout Tasmania.

Recommendation: Commence an e-bike library trial in Tasmanian towns.

Recommendation: Introduce a grant program to support businesses to switch to cargo e-bikes.

PUBLIC TRANSPORT

The latest Census showed that 3.05% of Tasmanians use public transport to get to work. The Australian Urban Observatory has ranked 21 Australian cities by liveability, including measuring the percentage of the population with access to regular public transport within

[11] The Climate Council (2023) *Shifting gear: the path to cleaner transport* https://www.climatecouncil.org.au/resources/shifting-gear-the-path-to-cleaner-transport/
[12] Ibid.
[13] Renewables, Climate and Future Industries Tasmania (2023) e-Transport support, https://recfit.tas.gov.au/e-transport
[14] Climate Change Office (2023) *Emissions Reduction and Resilience Plan – Transport: consultation draft*, p 12, https://recfit.tas.gov.au/__data/assets/pdf_file/0012/479487/Consultation_draft_-_Emissions_Reduction_and_Resilience_Plan_-_Transport.pdf

400 metres. Hobart ranks amongst the lowest in the country with an accessibility rating of 23%.[15] Research by the Climate Council indicates that public transport accessibility should be 49%.[16]

A range of initiatives are already underway in Tasmania to improve Tasmania's public transport services, including the development of park and ride facilities and the trial of ferries between Hobart and Bellerive with a view to expand ferry services to other locations.[17] The ERRP should also include a commitment to alternative public transport options, such as the Hobart Northern Suburbs Rail proposal.[18]

Recommendation: Increase public transport accessibility to 49% by making public transport services cheaper, more frequent and more reliable in both urban and non-urban areas of Tasmania.

Recommendation: Commit to developing Hobart's northern suburbs railway, between Bridgewater and the CBD.

[15] Gunn et al (2020) *Measuring liveability for the 21 largest cities in Australia,* https://auo.org.au/measure/scorecards/
[16] The Climate Council (2023) *Shifting gear: the path to cleaner transport* https://www.climatecouncil.org.au/resources/shifting-gear-the-path-to-cleaner-transport/
[17] Tasmanian Government (2023) *River Derwent Ferry Service Masterplan,* https://hdp-au-prod-app-sgtas-engage-files.s3.ap-southeast-2.amazonaws.com/9617/0002/7533/RiverDerwentFerry_MasterPlan.pdf
[18] See http://www.hobartrail.com/proposal.

Electric vehicles

Increasing the uptake of EVs fleet targets, subsidies, and infrastructure rollouts should be one of the highest priorities for reducing emissions in Tasmania's transport sector. The Tasmanian Policy Exchange's research shows that a target of 67% of new passenger vehicle sales to be EVs by 2030, and 100% by 2035, is crucial for rapidly reducing transport emissions in Tasmania.[19] While the draft ERRP outlines several initiatives to increase EV uptake that are already underway in Tasmania, the Tasmanian Government lacks ambition when it comes to EV policy commitments and is lagging behind other Australian jurisdictions (see Table 1). The Tasmanian Government has not yet committed to the following policies, most of which have been adopted by other Australian states and territories:

- An EV sales target
- A broader EV registration exemption for private purchasers and extending the stamp-duty discount beyond the end of 2023
- A short-term EV rebate or loan scheme to support or incentivise faster uptake.
- Signing the COP26 declaration on EVs.

Table 1: State and territory Electric Vehicle (EV)/Zero Emissions Vehicle (ZEV) targets.

	Domestic EV Target	Government fleet EV target
ACT	80-90% of new light vehicle sales to be EVs by 2030; ban on the sale of petrol and diesel vehicles from 2035	All new vehicles currently
NSW	52% of new car sales to be EVs in 2030-31 Vast majority of new car sales to be EVs by 2035	100% by 2030
Queensland	50% of new passenger vehicle sales to be ZEVs by 2030; 100% by 2036	100% by 2026
SA	100% of new passenger car sales to be fully electric by 2035	100% by 2030
Victoria	50% of all light-vehicle sales in to be ZEVs by 2030	400 ZEVs by 2030
WA	No target	25% by 2025-26
NT	No target	Increase by 200 EVs by 2030
Tasmania	No target	100% by 2030

Source: State and Territory electric vehicle strategies[20]

[19] Tasmanian Policy Exchange (2023) *Options for reducing Tasmania's transport emissions,* https://www.utas.edu.au/__data/assets/pdf_file/0004/1667578/Transport-emissions-discussion-paper-28072023-final.pdf.

[20] Electric Vehicle Council (2022) *State of Electric Vehicles* EVC-State-of-EVs-2022-1.pdf (electricvehiclecouncil.com.au); ACT Government (2022) ACT Zero Emissions Vehicles Strategy 2022-30, p. 16,

Recommendation: Set a target of 67% of new passenger vehicle sales to be EVs by 2030, and 100% by 2035.

Recommendation: Commit to introducing stamp-duty and registration waivers to incentivise EV uptake, as well as introducing more equitable purchase-price incentives than the current rebate.

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. 14, https://dipl.nt.gov.au/__data/assets/pdf_file/0007/1027483/electric-vehicle-strategyimplementation-plan.PDF; Climate Council (2022) *Scorecard for Australian States and Territories*, p 1, https://www.climatecouncil.org.au/wp-content/uploads/2022/11/Are-We-There-Yet_-Clean-Transport-Scorecard-for-States-and-Territories_November-2022.pdf

Electric buses

Electrifying bus fleets is a relatively easy first step that state governments can take towards achieving their net zero goals. Investment in electric buses is critical for reducing transport emissions and is already well underway in other Australian jurisdictions. Rapidly rolling out well-connected fleets of electric buses in urban transit corridors improves air quality, significantly lowers carbon emissions, increases the quality of urban life, increases public transport accessibility, decreases traffic congestion and vastly enhances the experience of commuters.[21] The Tasmanian Government is lagging behind other states in its commitment to introducing electric buses to the public transport fleet (see Table 2).

Table 2: Electrification of bus fleets by state and territory[22]

	Current bus fleet	Target	Current number of electric buses
NSW	~8,000	100% electric buses by 2030	101 ordered to date, at least 40 delivered and 200 promised by mid-2023
Vic	~4,000	From 2025 all bus purchases to be electric	41 electric buses on the road, no fleet transition targets
Qld	~2,500 Translink funded buses across SE Qld	From 2025 all bus purchases to be electric in SE Qld, by 2030 for regional Qld	1 electric bus in Translink network at present, 17 promised by 2023
ACT	451	100% electric by 2040	12 on the road
WA	1,650 buses	No targets	4 on the road
SA		No targets	0
NT		No targets	0
Tas		No targets	0

Tasmania is still trialling zero-emissions buses and has no timeline for a complete transition away from diesel. The draft ERRP highlights that the Tasmanian Government is supporting Metro Tasmania to deliver battery-electric bus trials in Launceston from late 2023, and hydrogen-fuel-cell electric bus trials in Hobart from mid-2024.[23] An electric bus trial has

[21] Denniss et al (2023) *Stuck in the Slow Lane: Electrification of buses in Australia* https://australiainstitute.org.au/report/stuck-in-the-slow-lane/
[22] Ibid.
[23] Climate Change Office (2023) *Emissions Reduction and Resilience Plan – Transport,* p 11, https://recfit.tas.gov.au/__data/assets/pdf_file/0012/479487/Consultation_draft_-_Emissions_Reduction_and_Resilience_Plan_-_Transport.pdf

already been completed in Hobart; funding for the Metro electric bus trial would be better directed to purchasing electric buses for immediate implementation. Electric buses have been successfully adopted in other jurisdictions, and a trial period only delays necessary uptake.

Recommendation: Include a target of 100% of new bus purchases being electric by 2025, and 100% of the bus fleet being electric by 2030.

Transparency and accountability

The Act requires ERRPs to be updated at least five years.[24] This is an opportunity to regularly review progress against the targets and actions that should be specified in the ERRP. To ensure effective progress is made to reduce Tasmania's transport emissions, a transparent reporting platform should be set up on the Department of State Growth's Renewables, Climate and Future Industries Tasmania website. This could take the form of a 'scorecard' with an update of the state of the transport sector emissions published annually to coincide with the release of Tasmania's annual Greenhouse Gas Emissions report.

An annual reporting scorecard for the transport sector should include:[25]

- Annual update on whole-of-sector emissions
- Sector emissions per state capita (tCO_2e)
- Sector emissions trend (percentage increase or decrease)
- Public transport share (percentage)
- Active transport share (percentage)
- Electric vehicles as a percentage of new car sales
- Electric heavy vehicles as a percentage of new heavy vehicle sales
- Electric vehicle chargers per 100,000 people
- The percentage of public transport bus fleet that is electric
- The percentage of State Government vehicle fleet that is electric.

Recommendation: Develop an online reporting platform to track emissions from Tasmania's transport sector.

[24] *Climate Change (Statewide Action) Act* Amended 2022, s5C(5)
[25] This list is derived from the Climate Council's *2022 Scorecard for Australian States and Territories*, p 1, https://www.climatecouncil.org.au/wp-content/uploads/2022/11/Are-We-There-Yet_-Clean-Transport-Scorecard-for-States-and-Territories_November-2022.pdf

Conclusion and recommendations

Tasmania's capacity for renewable energy production and the growing availability of electric vehicles means that there is significant opportunity to rapidly reduce the sector's reliance on fossil fuels. Developing an ERRP for Tasmania's transport sector provides an opportunity to fast-track this transition; however, for the ERRP to be effective, it requires a range of targets, actions and timelines to ensure emissions are reduced. The Australia Institute Tasmania recommends the following commitments are made in the final ERRP.

1. Set an emissions reduction target of 37% by 2030 for Tasmania's transport sector.
2. Commence an e-bike library trial in Tasmanian towns.
3. Introduce a grant program to support businesses to switch to cargo e-bikes.
4. Set a target of 67% of new passenger vehicle sales to be EVs by 2030, and 100% by 2035.
5. Introduce stamp-duty and registration waivers to incentivise EV uptake, as well as introducing more equitable purchase-price incentives than the current rebate.
6. Set a target of 100% of new bus purchases being electric by 2025, and 100% of the bus fleet being electric by 2030.
7. Increase public transport accessibility to 49% by making public transport services cheaper, more frequent and more reliable in both urban and non-urban areas.
8. Commit to developing Hobart's northern suburbs railway, between Bridgewater and the CBD.
9. Develop an online reporting platform to track emissions from Tasmania's transport sector.