



Mr Sam Birrell MP
Federal Member for Nicholls

MEDIA RELEASE

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Ute Tax Makes No Sense

Federal Member for Nicholls, Sam Birrell MP, says the Albanese Government's family car and ute tax makes no sense and the Minister for Climate Change and Energy, Chris Bowen is struggling to explain it.

Mr Birrell asked the Minister in Parliament about the limitations of the LDV electric ute which has a maximum range of 300 kilometres, but fully loaded up, travels just 150 kilometres.

"Minister Bowen responded by quoting an out-of-date article to trumpet that the electric LDV ET60 ute was cheaper than its diesel twin but only in New Zealand which has vehicle efficiency standards," Mr Birrell said.

"Importantly, Mr Bowen confirmed that internal combustion utes are more expensive, but what he failed to say was that New Zealand scrapped its unfair 'ute tax' in December 2023."

NZ Transport Minister Simeon Brown dumped the Clean Car scheme saying that it "...provided subsidies for people purchasing electric vehicles while taxing hardworking farmers and tradies who have little choice about the type of vehicle they need for work, is inequitable and fiscally irresponsible."

"Even though the electric ute was subsidised and discounted further in 'clean car clearout' sales before the unfair policy was repealed, just 219 new electric utes were registered in NZ in 2023," Mr Birrell said.

"The Ford Ranger was the top selling vehicle in NZ for the ninth consecutive year despite a 14 per cent drop in sales because of the additional tax applied under the Clean Car scheme."

"The electric ute was cheaper because it was subsidised – the diesel twin was more expensive because it was taxed higher – and New Zealand woke up to the folly of a ute tax."

"Despite the New Zealand experience the Albanese Government is hellbent on applying the same unfair tax on families, tradies and farmers under its fuel emissions standards," Mr Birrell said.

Australia's top three best-selling vehicles in 2023 were utes, with each facing a carbon penalty of up to \$17,950 for the Ford Ranger, \$14,490 for the Toyota Hi-lux and \$13,830 for the Isuzu D-Max respectively by 2029 under Labor's proposal.

"I'm a supporter of the uptake of electric where they are appropriate and a form of fuel efficiency standards, however, it can't come at the expense of people whom an EV is not appropriate for because of the work they do or where they live," Mr Birrell said.

"Thousands of people in my electorate need these vehicles to perform their work and they will be forced to pay a high price to replace their vehicle simply because there is no viable alternative."

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