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**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

TABLING STATEMENT

**GOVERNMENT RESPONSE TO THE ACT AUDITOR-GENERAL'S
REPORT NO. 4 OF 2021
ACT Government's Vehicle Emissions Reduction Activities**

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Introduction

Madam Speaker, I am pleased to table the Government's response to the Auditor General's report on vehicle emissions reduction activities.

I can confirm today that Government has accepted all five recommendations in this Audit Report.

I would like to thank the Auditor-General for the in-depth review of the progress of these policies and I am grateful for the opportunity to respond to the findings and recommendations of this report.

This Audit Report has come at a critical point, where transport has overtaken electricity as the largest source of greenhouse gas emissions in the Territory.

The transport sector currently represents around 60% of total ACT emissions.

As we know, climate change is one of the greatest challenges that our community faces. That's why we're prioritising the shift to zero-emissions transport, including active travel and zero-emissions vehicles.

Audit findings

The Audit Report highlights Government's actions to address emissions reduction in the transport sector including:

- the transition of government fleets to zero-emissions technologies, noting the complexity of this technology transition,
- the introduction of hydrogen vehicles into the ACT Government fleet,
- the establishment of effective governance arrangements and collaboration between different functions of government to deliver zero emissions transport actions, and
- the adoption of e-scooter and e-bike schemes in Canberra.

The Audit Report notes the significant progress to date and provides five recommendations to improve and accelerate the ACT's transition to a zero-emissions transport sector.

I would like to take this opportunity to outline our achievements, detail the recommendations and highlight the work that Government is undertaking to address them.

Achievements

- **GOVERNMENT FLEET:**
 - Since 2018 we have made great progress in transitioning our Government passenger vehicle fleet to zero emission vehicles. We now have one of the largest passenger zero emission vehicle fleets in Australia with 165 vehicles, which is 28 percent of our total fleet of 597 vehicles.
 - To power these cars, we have 108 charging stations at Government sites.
 - We are also now looking at how to shift to zero emissions heavy vehicles including emergency vehicles and waste collection trucks.
- **INCENTIVES:**
 - We have among the most generous incentives for zero emission vehicles in Australia. We have introduced 2 years free registration as well as continuing the stamp duty exemption for zero emissions vehicles.
 - We will soon introduce zero-interest \$15,000 loans for zero emissions vehicle purchases through Phase 2 of the Sustainable Households Scheme.
 - We now have over 1,200 battery electric vehicles registered in the ACT, a 25% increase since the free registration came into effect just a few months ago on 24 May.
 - It's great to see so many Canberrans embracing the EV future.
- **CHARGING STATIONS:**
 - We allocated \$2.7 million to install 50 public charging stations across Canberra.

- Work is underway to develop a Public Charging Masterplan to support a strategic rollout of charging infrastructure. This will inform the location of the 50 publicly accessible charging stations, as well as future locations for public chargers.

The recommendations of the Audit report provide useful strategic input to help us build on these successes to improve and continue to lead. The Government has agreed to all the recommendations and work is underway to implement measures in response.

Recommendation 1

Firstly, the Audit Report recommends that program design and delivery be improved by reviewing the program logic for each action, defining expectations of future uptake of zero emissions vehicles, and ensuring good monitoring and evaluation of progress.

The Government is currently reviewing the program logic and outcomes of our actions to date. The results of this review will be integrated into my Annual Report under the *Climate Change and Greenhouse Gas Reduction Act 2010* which I will provide to the Assembly at the end of this calendar year.

Recommendation 2

The second recommendation in the Audit Report highlights the importance of cross-agency collaboration and recommends strengthening processes around securing senior management authorisation, maintaining version control, and sharing plans with relevant stakeholders.

With the creation of the Office for Climate Action, we now have high-level, agreed whole of government coordinating mechanism to support effective implementation of a range of activities, including uptake of zero emissions vehicles.

These processes include cross-directorate working groups, as well as Ministerial processes to promote information sharing and joint achievement of objectives.

Recommendation 3

The third recommendation of the Audit Report is to review Government vehicle fleet usage patterns, key barriers to uptake, and identify the lessons learned from the Dickson and Civic charging infrastructure projects.

In response to the recommendation, the Government is establishing a monitoring and evaluation framework for current and future zero emissions vehicle measures. A review of the fleet transition will be included in this framework.

As I have outlined, Government has achieved a rapid adoption of zero emissions vehicles in its own fleet. The rollout of both vehicles and charging infrastructure is progressing, and we will continue to explore zero emissions alternatives for a range of vehicle types.

Our experiences in this fleet transition, including challenges in installing supporting infrastructure, have provided important insights. Being a leader is not always easy, but it is always instructive. We are sharing this knowledge with other governments and with businesses through our fleet advisory service so that others can learn from our experience for a smoother community-wide transition.

Recommendation 4

The report also sought further information on the ongoing progress of fleet transition. In response, work is underway to develop an online dashboard that will publish up-to-date information on the ACT Government and ACT-wide fleet transition. The dashboard will be published on the Environment, Planning and Sustainable Development Directorate website.

As part of our Parliamentary and Governing Agreement, the Government is already pursuing important new steps in zero emissions vehicle uptake, these include the development of a Public Charging Masterplan and a 2030 zero emissions vehicle sales target.

The Government will identify the next opportunities to target in our future policy based on evaluation of the experience to date, and analysis of the impact of these measures.

Final Recommendation (5)

Finally, the Audit Report recommends improving adherence to fleet policy across the directorates. Adherence across Government is critical for ensuring that we continue to demonstrate leadership in our community through the rapid uptake of zero emissions vehicle technology.

In response to this recommendation, we are developing an agreed authorisation process that will be applied across Directorates. The new process will require Director-General authorisation for leases of internal combustion engine passenger vehicles, where a zero emissions vehicle model is available and is fit-for-purpose.

I am happy to confirm today that many vehicles from the government fleet's first generation of zero emission vehicles have now moved into the second-hand market and have been purchased by members of our community.

The leadership of Government in adopting a zero emissions vehicle fleet will play an important role in developing a second-hand market for all zero emissions vehicles in the ACT. Lower cost second-hand vehicles will open the opportunity to save on fuel bills to more members of our community.

Government is further supporting the development of a second-hand zero emissions vehicle market by extending the registration waiver scheme to these vehicles.

Conclusion

Madam Speaker, the transition to a zero-emissions transport system is a massive task. Uptake of zero emissions vehicles will be a vital element to achieve our net-zero-emissions target.

In releasing its audit report, the ACT Audit Office stated that:

“ACT Government agencies have, for the most part, effectively implemented the Government’s zero emissions vehicle commitments.”

We have achieved a lot, but of course there is always room for improvement, and we welcome the Audit Office’s recommendations on how we can continuously improve.

We continue to demonstrate leadership to the rest of Australia and indeed the world. The learnings from our journey, even where we might have done better, mean we are better prepared for the future.

I look forward to the next phase in our journey to decarbonise the transport sector and am confident that the opportunities highlighted by the Audit Report set us up for strong future vehicle emissions reduction policy.

Madam Speaker, I commend the Government Response to the ACT Audit Report on Vehicle Emissions Reduction Activities to the Assembly.