

Dissenting Report by Labor Senators

1.1 Labor Senators also recognise the importance of ensuring stable and predictable revenue growth for public transport infrastructure, including the national road network.

1.2 Labor Senators oppose passage of the bills as Treasury readily concedes that no distribution analysis was prepared to examine the impact of fuel excise indexation on road users. The government report claims funds that go toward road infrastructure benefit all motorists, but a higher proportion of revenue will be raised by road users in regional Australia, and those with longer commutes, than by those living in inner city suburbs; yet most road projects scheduled for the next decade are to ease inner city congestion.

1.3 The government refuses to publicly commit to allocating a fixed proportion of revenue raised specifically for building roads, contradicting the government's own rhetoric:

'the fact is the money is hypothecated to extra road spending'¹

'every single cent that is raised by fuel excise indexation will be hypothecated to roads'²

and Treasurer Joe Hockey's Budget night announcement:

'the Government is re-introducing fuel indexation where every dollar raised by the increases will be linked by law to the road-building budget.'³

1.4 In addition, the government also refuses to publicly commit to allocating any proportion of revenue raised specifically for funding public transport infrastructure, such as regional and urban rail networks. We take this opportunity to reiterate our deep dismay that the Abbot government refuses to prioritise investment in public transport infrastructure.

Recommendation

1.1 Labor Senators recommend that the Senate reject these bills.

Senator Sam Dastyari
Deputy Chair

1 Prime Minister, the Hon. Tony Abbott MP, Questions Without Notice, 14 May 2014.

2 Prime Minister, the Hon. Tony Abbott MP, Questions Without Notice, 16 June 2014.

3 The Hon. Joe Hockey MP, Budget Speech, 13 May 2014.

