

The government is said to keep providing tax breaks for tradies with a ute. This policy effectively helped Australians to operate their small business with relatively lower running costs thanks to the cheaper vehicles. However, many cases around Australia indicate that this policy has been abused. Some ute buyers are not tradies or not using their utes to be a workmate for their business while they claim the tax break. A possible reason is that the dual-cab ute is functionally similar to an SUV, so people can easily use these commercial vehicles to be their family cars.

Two major problems are coming from this issue:

1. **The tax break has been abused so that the public fund could be wasted.** Wasting public funds is becoming a severe problem during the living cost crisis.
2. **Commercial vehicles tend to consume more fuel** because they are heavier than passenger cars because more solid metal has been used to strengthen the vehicle. It is necessary when this vehicle is really used as a workmate. Another reason is that many utes in the Australian market tend to use old technologies and powertrain configurations. It was believed that these engines and transmissions were reliable. Still, newer technologies and configurations have become as reliable as we need in the past years, meaning Australians no longer need to hold on to these old powertrains to keep vehicles reliable.

Proposed advice or solutions:

1. To review the tax break scheme that could encourage unnecessary ute-buying. Instead, the government should promote tradies using proper vehicles as workmates. Tradies using vans, hybrid SUVs or even small wagon cars to be their workmates are becoming more, which is a good trend, and the government should encourage this vehicle management strategy. Alternatively, the modified tax break scheme should subsidise Plug-in hybrid or electric utes only while other types of commercial vehicles (used as commercial vehicles, but the body shape may be a wagon or small SUV) can still be diesel.
2. Given that a small proportion of Australians still truly need 4WD vehicles to be their workmates, the fuel efficiency standard should place harder requirements on those conventional diesel 4WDs, such as requiring to equip modern powertrain configurations.

A ground rule is that every step towards carbon neutrality should be well-considered, instead of setting ideal goals and punishing people who are left behind. Even if all vehicles will be electric in the future, any policy towards that goal should not rule out any rational approach. From old petrol and diesel to efficient petrol and diesel, then hybrid and finally pure electric. This is what a good climate tackle policy should be.