



2025
RACQ's Federal Election Priorities





Gold Coast flooding and major storms in 2022.

Introduction

Australians are facing significant and escalating challenges.

With cost-of-living pressures, population growth, and climate change threatening our housing security, economy and lifestyle, the next Australian Government must ensure the safety and resilience of our beautiful state.

As Queensland's largest club, and on behalf of our more than 1.7 million members and the wider community, RACQ is dedicated to driving a positive future for all Queenslanders.

It's why we're calling on the next Government to address key priorities that matter to Queenslanders with a focus on maintaining a commitment to **Fixing the Bruce** and **Cost of Living relief** leading to safer, stronger and more resilient communities.

Our 'calls to action' have been drawn from RACQ's member and community surveys, research, and engagement. In the lead-up to the Federal Government election, we will continue to engage with our members and campaign to drive meaningful change.

Let's build a safer, stronger, and more resilient Queensland for generations to come.



Our Priorities: Fix the Bruce

The Bruce Highway is the backbone of Queensland's economic activity – but it's broken and in dire need of repairs and upgrades.



National highways in other states have been prioritised at the expense of the Bruce and Queenslanders are suffering from a road that is dangerous and disruptive.

As a State, Queensland deserves better.

The Federal Government funded at least 80% of upgrades to duplicate other national highways such as the Hume in Victoria and Pacific in New South Wales, but now it's the Bruce's turn and they're only committing to pay for 50% of future projects. It's not fair.

Queenslanders are being short-changed. A much higher level of funding commitment is required from State and Federal Governments over the next decade and beyond to repair and upgrade this vital highway.

Queensland has 26% of the total road kilometres in Australia but has recently received only 22% of Commonwealth

land transport funding. We deserve our fair share on road investment funding and a Bruce Highway that is on par with the Pacific and Hume.

On average, 35 lives are lost on the Bruce Highway each year and more than 400 people are seriously injured (based on 2020-24 data). A total of 42 people lost their lives in 2024. Under the Australian Road Assessment Program (AusRAP), almost half (45.2%) of this critical route was rated just two out of five stars for road infrastructure safety in 2019. In 2024, there is no way Queensland should have any 2-star rated sections of its most critical highway.

RACQ members have continuously raised concerns with the poor condition and quality of the Bruce Highway from Gympie to Cairns, and the delays experienced

when the Bruce is cut due to flooding. It was nominated by motorists as Queensland's most despised road in RACQ's 2024 Unroadworthy Roads Survey.

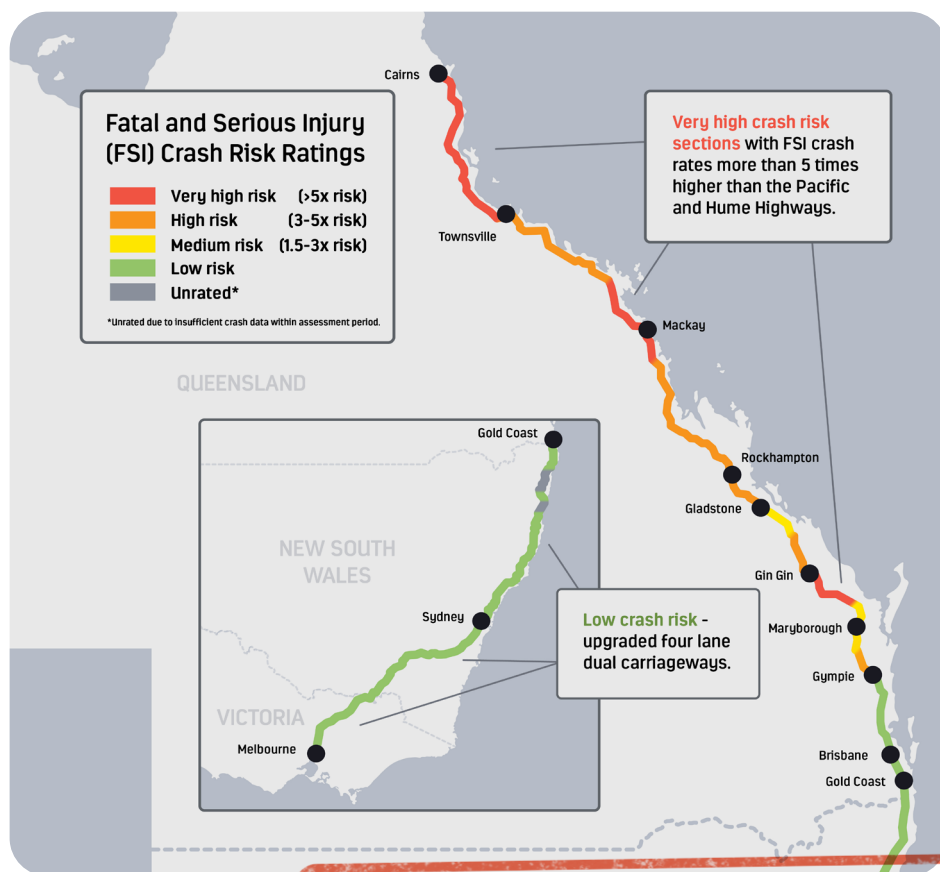
RACQ's expert analysis of AusRAP crash data between 2018-2022 shows upgrades, including the installation of dual carriageways on the Hume and Pacific Highways, have almost eliminated the head-on crash risk, the crash type responsible for over half (81 of 149) of fatalities on the Bruce Highway.

1,398 kilometres of the Bruce Highway (from Gympie to Cairns) remains single-lane and undivided, leading to an average 'per kilometre travelled' **Fatal and Serious Injury (FSI) crash rate three times higher than rural sections of the Pacific Highway and five times higher than rural sections of the Hume Highway.**

COMMITMENT MADE*

Below is a diagram showing examples of typical design features on different star-rated sections of the Bruce Highway





Highway, taking up to double the time to build a safer and more productive Bruce.

We know safer roads save lives. This has been proven on the Hume and Pacific highways as well as the upgraded dual-carriageway section of the Bruce Highway - Cooroy to Curra project.

A consistent and committed pipeline of State and Federal funding on the Bruce Highway will deliver cost efficiencies and timely project delivery.

With the original \$10 billion investment from the Federal Government in the Bruce Highway Upgrade Program coming to an end in 2027/28, now is not the time to take our foot off the funding pedal.

The Bruce Highway needs another long term committed investment from both levels of government, not less. It's the Bruce's turn to be fixed, it's only fair.

There's even a section from Childers to Gympie, with a Fatal and Serious Injury (FSI) crash rate per kilometre travelled almost 10 times higher than the Hume Highway, from Berrima to Coolac, in NSW.

Over the next 10 to 15 years, the Bruce will require billions of State and Federal dollars to bring it up to a national standard highway and reduce the duration and frequency of road closures during flooding. However, in 2023 the Commonwealth changed its traditional funding model of an 80:20 split with the State Government to 50:50 for new regional infrastructure projects, with negotiations on a project-by-project basis for a higher funding split.

State and Federal Governments know what needs to be done with the Bruce Highway.

The RACQ sat on the Bruce Highway Trust Advisory Council (BHTAC), which developed a 15-year vision with three five-year rolling Action Plans. A Bruce Highway Vision and Action Plan (BHVAP) was finalised and submitted to the Commonwealth in late 2022. RACQ is now sitting on the newly formed Bruce Highway Advisory Council (BHAC) to progress this plan.

Life-saving upgrades identified in the BHVAP may be delayed or not delivered at all under a 50:50 partnership. This funding split could see a potential shortfall of up to \$500 million per year invested in the Bruce

COMMITMENT MADE*
Our call

A 10-year funding plan for the Bruce Highway. Reinstate the 80:20 funding split.

*Both the Federal Government and the Opposition have recently committed to 80% funding (\$7.2 billion of \$9 billion) for safety upgrades on the Bruce Highway to 2032.



RACQ calls on the next Federal Government to:

1. Lock in a new 10-year State and Federal funding commitment to reverse the piecemeal approach to Bruce Highway project delivery.
2. Reinstate an 80:20 (Federal:State) funding split for the Bruce Highway to deliver projects as scheduled in the Bruce Highway Vision and Action Plan.

Climate-proof our roads

It's unacceptable that in the 21st century, Queenslanders are forced to drive on unsafe highways, have their communities cut off by repeat (but expected) seasonal weather events, or remain isolated for weeks on end waiting for repairs. Damage to major highways after floods and storms is Queensland's Groundhog Day.

We know motorists are concerned about the quality and condition of national and state roads throughout Queensland.

In our Unroadworthy Roads Survey, members have consistently rated 'rough surface' as the number one complaint for the past 23 years.



Not only are poor-quality roads dangerous, but they can also negatively impact on vehicle operating costs, travel times, road-based tourism, and freight productivity. More cars and trucks are using our road network than ever before. Coupled with the increasing frequency and severity of extreme weather events, damage to these roads is only going to get worse unless significant funding is allocated for repair and maintenance to a climate resilient level.

Far too often, damaged roads are repaired to an inadequate standard, only to be damaged again after the next major weather event. Roads need increased funding allocations to be better maintained and built back to climate resilient standards, which includes new technology.

RACQ calls for greater funding towards 'maintenance and building roads back better'. We must embed resilience in road repairs and upgrades.

Roads that are repaired to be resilient stand up much better to natural disasters, preventing and minimising future

damage and lowering future costs. The evidence from Queensland projects is that investment in road resilience generated more than double in savings and avoided the cost of future repairs.

In fact, 79% of betterment sites have suffered no damage or only minor superficial damage from subsequent events.

The Federal Government jointly funds road maintenance on 5,000km of the National Land Transport Network (NLTN) across Queensland. The Department of Transport and Main Roads has estimated that Queensland has contributed approximately 51 per cent of total expenditure to maintain the NLTN over the 10-year period 2014-15 to 2023-24. RACQ believes that the bulk of national highway maintenance funding responsibility should rest with the Federal Government.

Long-term repeated reports of damage on the Bruce Highway and other national highways indicate that annual maintenance funding is inadequate to maintain and improve the condition and resilience of Queensland's national highways, especially with increasing frequency of intense weather events and growing road freight.

RACQ welcomes the Federal Government's recent commitment to increase its contribution to NLTN road maintenance funding across Australia from \$350 million per year to \$460 million per year from 2024-25, indexed at 2.5 per cent thereafter. The Queensland portion sees the existing allocation of \$81.3 million increasing to \$101.9 million in 2024-25 and approximately \$415 million over 4 years. Whilst this is a welcome injection, a shortfall remains between funding and needs.

Our call

Boost Queensland's national highway maintenance and resilience funding to \$500 million over four years.

RACQ calls for:

1. Greater funding towards maintenance and building roads back better and stronger.
2. Reducing the maintenance backlog in Queensland and embed resilience in road repairs and upgrades.
3. The betterment / natural disaster resilience program being made available outside of natural disasters to strengthen and rehabilitate any temporary repairs, or any road sections prone to surface failures after rain events.



Cost-of-living relief

Australia is experiencing a cost-of-living crisis. The Federal Government needs to relieve cost-of-living pressures on Australian families and their budgets. RACQ's members are particularly concerned about the affordability of insurance, transport and energy. People also want to see action on bringing down household living costs and building greater resilience in homes and communities to withstand severe weather events that are all too frequent in Queensland.

RACQ urges the next Federal Government to introduce a range of cost-of-living measures including:

- More affordable insurance
- Support for home batteries
- More electrified vehicles to avoid unaffordable fuel
- A fair go on road tax.



More affordable insurance

Queensland is the most flood-prone state in Australia when considering homes inside the 100-year and 20-year modelled river floodplain.

For most of us, our home is our most precious asset and something we are determined to protect, particularly in the face of increasing severe weather events.

But as Australia, and particularly Queensland, faces growing impacts from natural disasters, thousands of homes have struggled to withstand storms, cyclones, and floods.

A number of factors are impacting home insurance affordability, including the escalating cost of more regular and extreme natural disasters, the mounting cost of global reinsurance, high inflation, the growing value of assets, the double taxing of insurance (Stamp Duty and GST) and the increasing cost of doing business in Australia.

Specifically, construction prices have significantly increased since COVID-19, driven by a number of factors including

labour shortages and supply chain issues. According to the Australian Bureau of Statistics, house construction prices increased 40.8% from September quarter 2020 to June quarter 2024.

Across these mounting cost pressures, the Australian Prudential Regulation Authority reported that the insurance industry had not made a profit from home insurance between financial years 2020 and 2023, with full financial year 2024 data not available. It is clear we need government action to improve home insurance affordability.

These pressures will only exacerbate with Queensland remaining in the front-line of climate impacts. Additionally countless communities have been put in harm's way over generations and householders are paying the price for a legacy of poor land use planning decisions.

The Actuaries Institute has reported that Queensland has the highest estimated mean for home insurance premiums of any state in Australia (\$3,815) – more than a third above the national mean of \$2,774 (see graph below).

For a typical RACQ building and contents policy of \$600,000 building (sum insured)

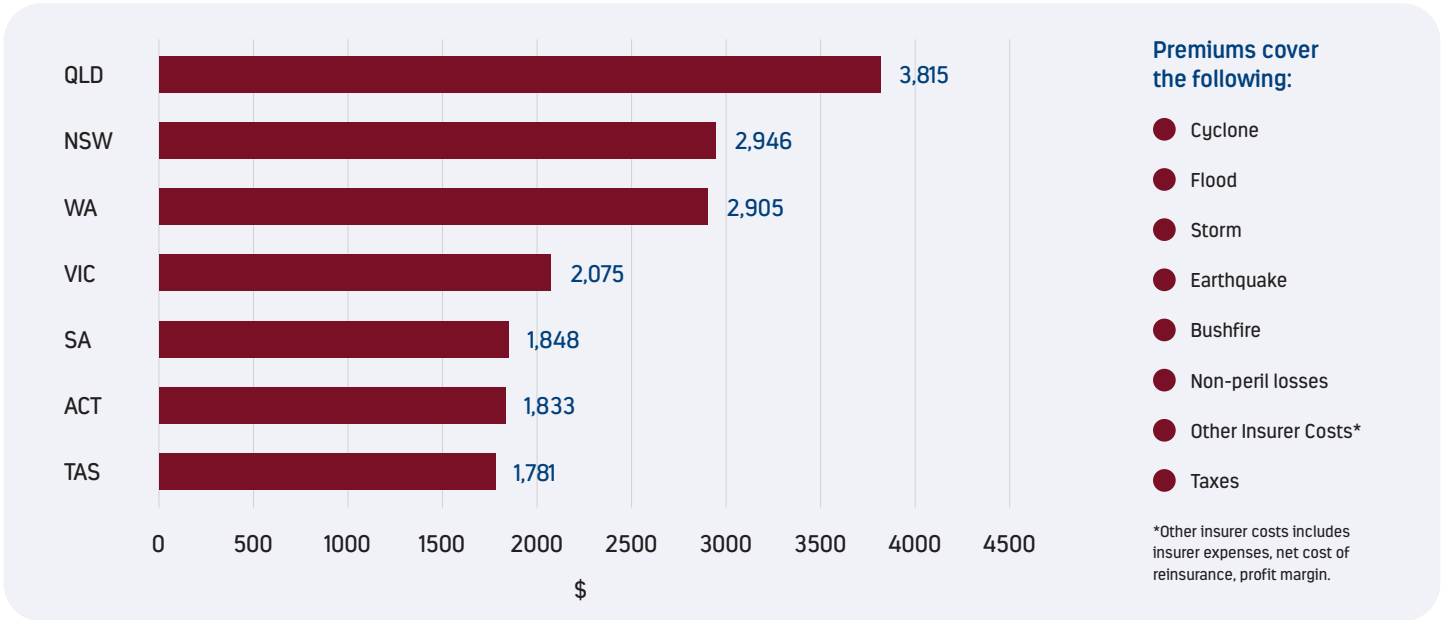
and \$100,000 contents (sum insured) in Queensland, a high-risk flood policy's premium could be up to six times higher than a property with very low flood risk*.

Federal Government action is needed on removing the double tax on insurance, delivering risk reducing infrastructure, supporting more resilient homes, and improving land use planning and construction codes. If these measures are ignored, more households will find insurance unaffordable, leaving them unable to financially protect their homes or access a home loan.

Insurance affordability is one of Australia's biggest problems and we know the issue is widespread. The Actuaries Institute also reported as of March 2024, **15% of Australian households (1.6 million) experience home insurance affordability stress**, up from 12% in March 2023 and 10% in March 2022.

According to a report released by Deloitte in 2021, natural disasters cost the Australian economy \$38 billion per year on average, representing approximately 2% of GDP, and this cost is expected to rise to at least \$73 billion annually by 2060 (4% of GDP).

Estimated mean home insurance premiums across Australia by the Actuaries Institute as of March 2024.



*Indicative only and subject to change.



Deloitte also found that coastal population centres in South East Queensland and North East NSW will experience some of the highest cost increases as they become exposed to cyclones and floods.

We need to make homes tougher and stronger.

In the wake of the 2022 floods in South East Queensland, RACQ surveyed our members about their experiences. An overwhelming majority (72%) stated the level of mitigation was inadequate.

Queensland has been at the forefront of rolling out programs that help homeowners build their property's resilience. We want to see these programs expand in Queensland and nationally.

In 2018, the Queensland Government introduced the Household Resilience Program to bring homes up to modern cyclone standards and to make new homes better withstand cyclones.

This included new roofs and roof upgrades, braced garage doors and window protections such as shutters and screens. Since its inception, the program has helped more than 4,400 homes become more cyclone resilient.

Flood retrofitting began after the 2022 floods, when the Queensland and Federal Governments introduced the Resilient Homes Fund. As well as 'buying back' flood-prone properties, the program helped fund improvements like house-raising and practical internal retrofitting solutions like more resilient materials, electrical and

flooring. A total of 685 homes have been purchased through the Fund's voluntary home buy-back program.

As of November 2024, 1,163 homes had been retrofitted and raised to make them more flood resilient. Many more homes could be assisted in Queensland and across Australia. **According to the National Flood Information Database and the Insurance Council of Australia, 30% of homes (67,000) at severe and extreme risk of flood in Australia are located in Queensland*.**

These programs are valuable, but we shouldn't wait for a catastrophic event to roll them out. They should be made permanent.

This assistance should be offered to homeowners in vulnerable areas now, before they are impacted by a flood or cyclone.

*Properties facing severe and extreme flood risk are defined as 5% Annual Exceedance Probability (approximate average recurrence interval of 20 years) and 2% (approximate average recurrence interval of 50 years).



In the absence of action on reducing the double tax on insurance, significant risk reducing mitigation and improved land use planning and construction codes, more households will plunge into an affordability crisis. This will leave communities unable to financially protect their homes and government becoming the insurer of last resort.

If these interventions are ignored, the Commonwealth Government will need to consider other options such as a flood reinsurance pool and subsidies to improve insurance affordability.

We want the next Federal Government to recognise the reality that natural disasters are getting more intense and regular, continuing to cost taxpayers billions in social and economic costs and driving up insurance premiums - this is not sustainable.

Our call

Significantly increase investment in a range of measures to reduce the impact of severe weather events on high-risk communities and improve insurance affordability.

RACQ calls on the next Federal Government to:

1. Deliver significant risk reducing mitigation infrastructure such as levees or dams in flood prone communities to lower risk, leading to improved insurance affordability.
2. Expand the Household Resilience Program (cyclone) and the Resilient Homes Fund (flood) in Queensland for the next 10 years, providing an annual budget of \$500 million per year for homes at extreme and severe risk of flood and cyclone.
3. Invest in a voluntary home buyback program for households seeking to retreat from future flooding.
4. Stop putting communities in harm's way by introducing national policies and standards that prevents development occurring in flood prone areas.
5. Introduce stronger building codes and standards to ensure resilience infrastructure is used when building or renovating homes in high-risk areas.
6. Work with state governments to abolish the double tax on insurance products to improve the affordability of insurance or spend it where you collect it, on mitigation and resilience building.
7. Make improvements to the Cyclone Reinsurance Pool to ensure that properties in cyclone prone areas are protected and can afford insurance.
8. If these measures are not implemented, then the Federal Government will become the insurer of last resort needing to invest in a model like a flood reinsurance pool, which will require heavy subsidies by the government and/or other taxpayer methods.

Support for home batteries

More than 330,000 properties lost power during Tropical Cyclone Alfred that hit South East Queensland in 2025. For many Queenslanders, losing power is a common occurrence.

Improving Queensland's home energy resilience is about keeping the lights on and the refrigerator cold during the next storm and cyclone seasons.

RACQ is calling on the next Federal Government to provide targeted support for home battery systems that will provide necessary backup electricity during blackouts.

Any federal home battery scheme should focus on systems that can isolate from the grid during outages and provide a backup electricity supply. It should also focus on households at higher risk of losing power during our intense storm and cyclone seasons.

As more Queenslanders shift from petrol and diesel vehicles to electric vehicles, this provides an opportunity to add mobile batteries (EVs) to further support the grid.

If we get V2G and V2H technology right, Queenslanders will have an opportunity to make the most of their solar production and offset their peak electricity usage by using their EV as a home battery, in the same way they would use a stationary home battery.



Our call

Expand the Battery Booster scheme and expedite Vehicle to Grid and Vehicle to Home capabilities.

The next Federal Government should:

1. Provide a home battery rebate of \$6,500 for systems that can be used to support the electricity grid, avoid brownouts and isolate from the grid during blackouts to provide backup electricity.
2. Increase the home battery system rebate to \$8,000 in areas with high risk of weather-related power outages.
3. Expedite Vehicle to Grid (V2G) and Vehicle to Home (V2H) technology.

More electrified vehicles to avoid unaffordable fuel

The global transition to electric drivetrain vehicles is underway and RACQ is determined that no Queenslanders will be left behind.

Cars with electric drivetrains are starting to cost the same as internal combustible engine vehicles, which is reducing the cost of driving and our reliance on imported high-cost fuel. We know Queensland is the most expensive place in Australia to buy fuel. More Queenslanders driving electric drivetrain vehicles that meet their needs will go a long way towards driving down the cost of mobility.

Helping motorists avoid high fuel prices requires additional policies to make electric drivetrain vehicles more affordable and attractive for Queenslanders.

We need to ensure regional Queenslanders, and those who require heavier vehicles like Utes, are not penalised, but supported in the push to decarbonise transport.

There are significant economic opportunities for Queensland, including new industries, jobs, and the potential for our state to become a research and development leader.

Despite improving battery technology, it's likely there will always be a need for internal combustion engines in heavier vehicles in regional and remote parts of Australia. Ethanol and biofuels can play a part in this decarbonisation and boost regional economies by supplying a Queensland-made, low-carbon liquid fuel.

Electric and hybrid vehicle drivers currently pay little to no fuel excise, but they should pay their fair share. The Federal Government needs to work with states and territories to ensure electric drivetrain vehicles pay their fair share of road tax, without disincentivising their take-up.

Our call

Greater investment in the EV transition and embracing of biofuels.

RACQ calls on the next Federal Government to:

1. Continue the EV fringe benefit tax exemption
2. Invest more in EV charging infrastructure, particularly in regional Australia
3. Support electrification manufacturing and economic development opportunities
4. Bring zero and low emission vehicles (ZLEVs) into the road user charging system
5. Invest more in biofuels industry development
6. Invest in a research and development innovation project for hard-to-electrify LCVs and 4WDs to address distance and regional challenges by using biofuel range extender technology such as ethanol
7. Support and invest in skills training and programs
8. Invest in community education to raise awareness of the opportunities for lower-cost low emission mobility.



A fair go on road tax

Efficient electrified vehicles are critical to reducing Australia's reliance on high-cost fossil fuels. However, as our national fleet transitions to vehicles using electric drivetrains, revenue from fuel excise will fall.

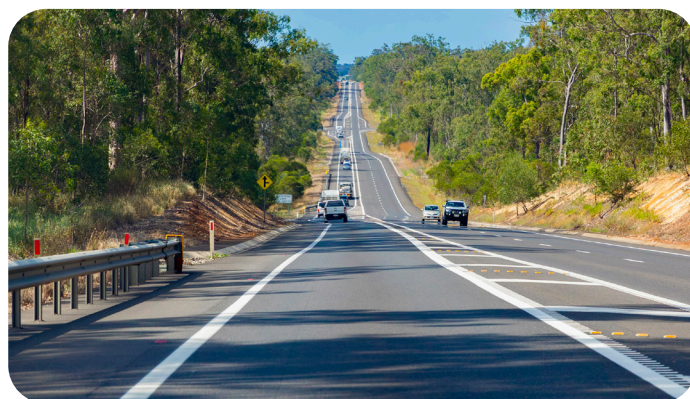
Without reform, we will increasingly see a divided motoring population – those that pay fuel excise and those that don't.

This is an issue of fairness.

It's inequitable and unfair that people with the least amount of money and driving the oldest cars pay more for our roads than people with newer low emission and electric vehicles. Those with higher incomes can more readily afford a new vehicle that uses less or no fuel. RACQ does not believe this is fair.

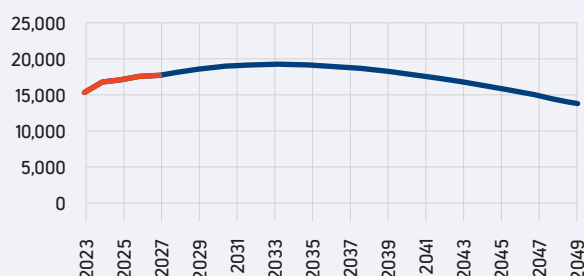
RACQ forecasts show that while our transport infrastructure needs continued investment, income from fuel excise will slow over the next decade, peaking at about \$19.1 billion in 2034. Unless we reform our tax system, critical revenue that is used to make our roads safer, more efficient and resilient will start to fall.

Motorists pay about 51 cents per litre in excise, the average light passenger vehicle driven in Queensland pays about \$685 each year, and the Australian Government collects more than \$15 billion per year in net revenue from fuel excise. The reduction in fuel consumption of newer hybrid vehicles and shift to electric vehicles is reducing the revenue available for re-investment in the land transport network. It is an untenable situation when some motorists pay little to no excise, while national highways like the Bruce are of an unacceptable standard.



RACQ Estimated Annual Net Fuel Excise Income in \$million

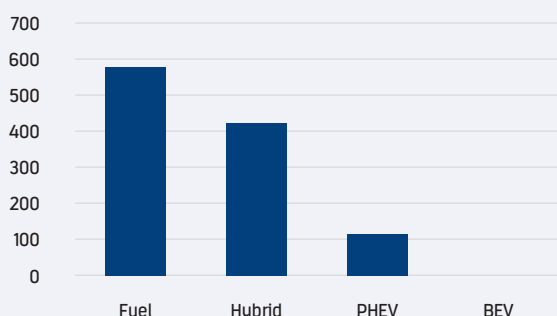
● Budget papers
● RACQ forecast



While the fall in revenue is a slow burn, the big issue today is inequity. The move to eliminating fuel excise and introducing a fairer road tax system must start now.

Australia needs leadership that should make owning and driving a vehicle more affordable, equitable and environmentally sustainable. In short, all motorists should help fund our roads, no matter what they drive.

RACQ Estimated Average Excise Cost for New Medium SUVs in Queensland in \$/year.



Our call

The Federal Government should commit to transport tax reform to replace the fuel excise, to ensure fair, sustainable and on-going funding for critical transport spending.

RACQ calls on the next Federal Government to:

1. Develop a new road user charge for plug-in electric vehicles to bring them into a new transport tax system.
2. Incorporate hybrids and ultimately all vehicles regardless of fuel/energy source into the new road user charge.



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OLD DEMANDS FAIR FUNDING TO SAVE LIVES

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In the lead-up to the 2025 election, we will continue to engage with our members and campaign on their top priorities to drive meaningful change.

Let's build a safer, stronger, and more resilient Australia for generations to come.





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