

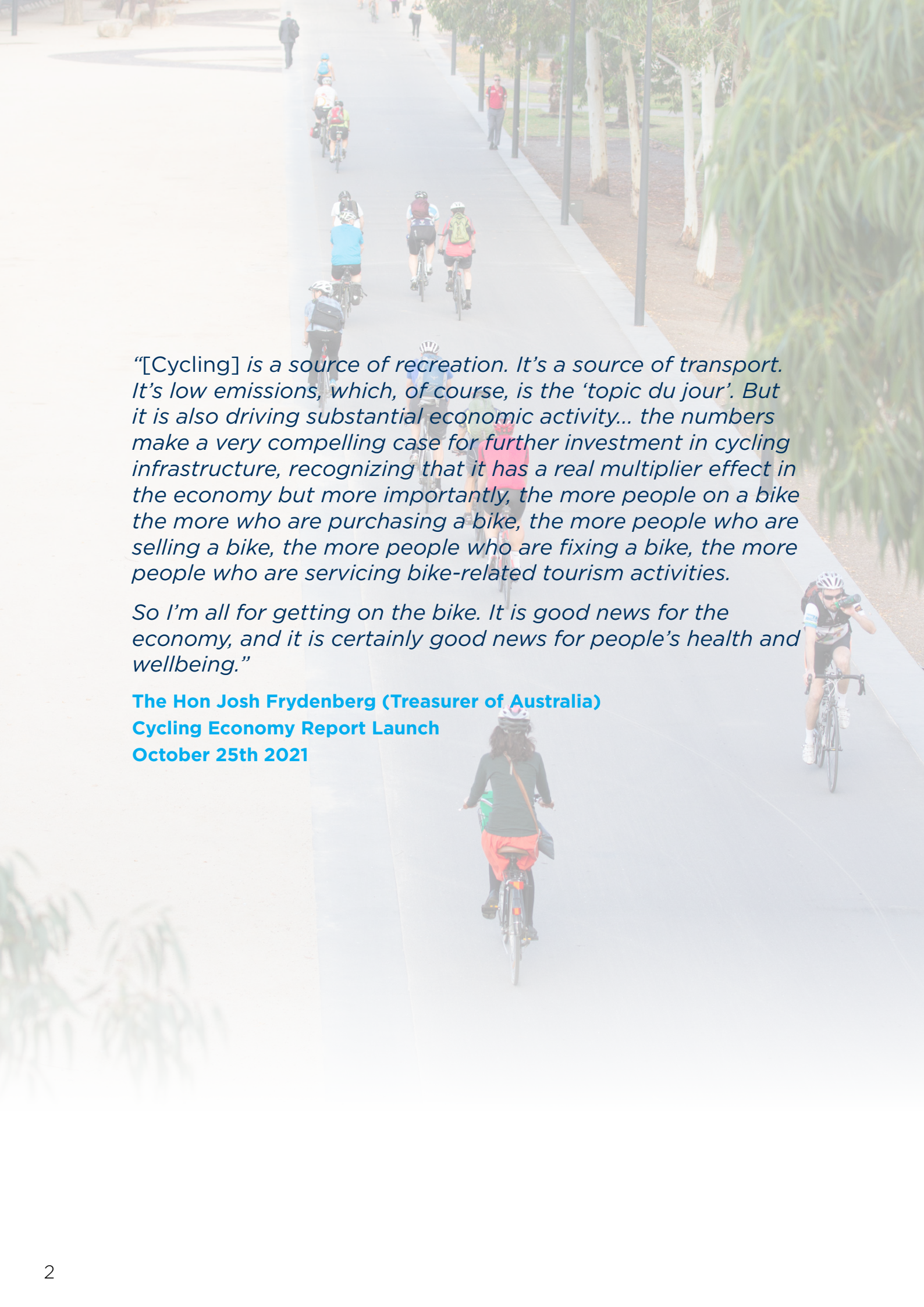


**BICYCLE  
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# **FEDERAL PRE-BUDGET SUBMISSION 2022/23**

**NOVEMBER 2021**

*Prepared by Dr Nicholas Hunter, Bicycle Network*

A group of cyclists is riding on a paved path in a park-like setting. The path is wide and light-colored, with a concrete curb on the right side. Several cyclists are visible, some wearing helmets and colorful clothing. In the background, a pedestrian is walking on the path. The scene is bright and sunny, with trees and foliage visible on the right side of the path.

*“[Cycling] is a source of recreation. It’s a source of transport. It’s low emissions, which, of course, is the ‘topic du jour’. But it is also driving substantial economic activity... the numbers make a very compelling case for further investment in cycling infrastructure, recognizing that it has a real multiplier effect in the economy but more importantly, the more people on a bike the more who are purchasing a bike, the more people who are selling a bike, the more people who are fixing a bike, the more people who are servicing bike-related tourism activities.*

*So I’m all for getting on the bike. It is good news for the economy, and it is certainly good news for people’s health and wellbeing.”*

**The Hon Josh Frydenberg (Treasurer of Australia)**  
**Cycling Economy Report Launch**  
**October 25th 2021**

# Who we are

With nearly 50,000 members, Bicycle Network is one of the leading member-based bike riding organisations in Australia. We are committed to improving the health and wellbeing of all Australians by making it easier for people to ride a bike.

Operating nationally, we have a measurable, successful and large-scale impact in community participation and the promotion of healthy lifestyles through bike riding.

We achieve this through:

- improving the bike riding environment by working with government at all levels to provide better infrastructure, legislation, data, policies and regulations
- delivering successful, large-scale behaviour change programs such as Ride2School and Ride2Work
- providing services and insurance that support bike riders through nationwide membership
- running mass participation bike riding events such as the Great Vic Bike Ride

If you need our help to build a nation of bike riders, please contact us.

## **Dr Nicholas Hunter**

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Bicycle Network acknowledges the traditional owners of the land on which we work and live and pay our respects to the first peoples of this country, their culture and elders, past, present and emerging.



# Executive summary

In 2021, Australia's bike industry was revealed to be a \$6.3 billion economy. We found out from the National Walking and Cycling Participation Survey that the amount of Australians getting on a bike each week is on the rise, which will help grow our bike economy even further. We also now know that more people in our communities are ready and waiting to start riding, they just need the encouragement.

The 2022/2023 Federal Budget will be the key instrument for guiding Australia's post-COVID-19 economic recovery and laying the groundwork for a sustainable future and a healthy, active community. That's why it is time to start making proper investments in bikes.

In this pre-budget submission, Bicycle Network are asking the Australian Government to help grow the bike economy by taking five key steps:

- Allocate 5 per cent of the federal transport budget to active transport
- Develop a stimulus package for active tourism
- Invest in behaviour change bike programs for young people
- Introduce a national bike incentive scheme
- Build a safer national vehicle fleet through rebate schemes

if we can make bikes a safe and enjoyable transport option to a wider and more diverse range of people, we can expect the industry to skyrocket to even greater heights. We already know it's the right thing to do.

# Budget impact summary

Recommendation	2021-22	2022-23	2023-24	2024-25	TOTAL \$m
<b>1. An active transport budget</b>	5 per cent	7.5 per cent	10 per cent	12.5 per cent	-
<b>2. A stimulus package to fund active tourism</b>	\$150.0	\$150.0	\$150.0	\$150.0	\$600.0
<b>3. Behaviour change programs for young people</b>	\$20.0	\$20.0	\$20.0	\$20.0	\$80.0
<b>4. A national bike incentive scheme</b>	\$75.0	\$75.0	\$75.0	\$75.0	\$300.0
<b>5. A safer vehicle fleet</b>	\$150.0	\$150.0	\$150.0	\$150.0	\$600.0

# We already know it's the right thing to do

As we enter the 2020's there is a lot of promising change on the horizon. The Australian Government will make its formal pledge to cut greenhouse gas emissions to net zero by 2050. We will see the first National Obesity Prevention Strategy, which adopts many of the actions recommended by the United Nations. A new National Road Safety Strategy for 2021-2030 will lay the framework to halve road fatalities per capita.

There is a common device that plays a feature role across these strategies: the bike. A lot of people already have one. In fact, over **8.8 million Australians** ride bikes each year. If we can turn these 'casual riders' to regular riders who use their bike for transport purposes, we can make a strong impact in the health, sustainability and road safety domains.

We already know it's the right thing to do. So what's stopping us from putting down some money to get the wheels turning?

## Good news for the economy

The 2021 Cycling Economy Report<sup>1</sup> paints an exciting picture of bikes, a \$6.3 billion industry that supports over 34,000

jobs. The report suggests that, if people increase their riding from fortnightly to weekly, we can expect an increase of \$118 million per annum.

As the Treasurer of Australia, The Hon Josh Frydenberg, has rightly said: bikes are 'good news for the economy'.

So what would happen if we invested more? Not only is bike infrastructure cheap compared to road and rail upgrades, and public costs staggeringly lower<sup>2,3</sup>, the associated health and cost benefits are often overlooked<sup>4,5</sup>. In Australia, any investments that promote a shift towards active travel may offer costs benefits for individuals between \$0.62-1.46 per km<sup>4,6</sup>.

The great news is that there is already an enthusiastic market of people who are not yet riding. In Victoria, for example, **75 per cent** of the population are 'interested but concerned'<sup>7</sup>. This means that, if we can make bikes a safe and enjoyable transport option to a wider and more diverse range of people (children, women, older adults), we can expect the bike industry to skyrocket to even greater heights.

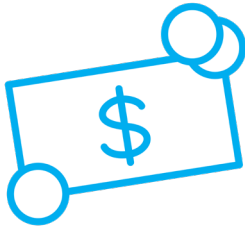


# Five steps to build for bikes

We don't want to derail the budget consultation process with a horde of infeasible asks. Let's keep things simple.

National and international data and research suggests to us that there are **five essential budget items** that would benefit Australia in its shift towards a sustainable active transport friendly future.

These recommendations are the critical step forward for advancing Australia forward, providing support for people of all levels of bike experience, and encouraging those who are not yet participating. They are simple, focussed and achievable.



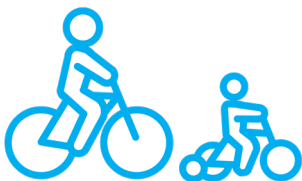
**An active transport budget**



**A stimulus package to fund active travel tourism**



**Behaviour change programs for young people**



**A national bike incentive scheme**



**A safer national vehicle fleet**



# 1. An active transport budget

We need a clear investment commitment, it's that simple. At present, the Australian Government only funds active travel as part of larger infrastructure projects. We are recommending a change.

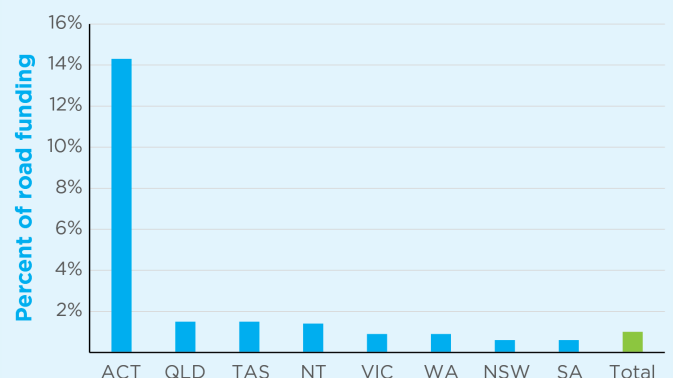
International evidence overwhelmingly supports that fact that safe and well-connected bike infrastructure leads to more people riding bikes. The world's top researchers also recommend that federal governments should match the state and local government's total annual spend.

Sadly, most Australian states and territories devote less than 2 per cent of funding to bikes<sup>8</sup>.

Bicycle Network is pushing for the Australian Government to commit **5 per cent** of the federal transport budget to active travel. This allocation is not unreasonable. The United Nations recommends that 20 per cent of federal transport funding per annum should be allocated to walking and bike riding projects<sup>9</sup>. In 2020, the UK announced a six-fold increase in allocated funding for walking and bike projects<sup>10</sup>. It is time for Australia to match international efforts.

## Fact box

Australia spends around **1 per cent** of road funding on bike-related projects and infrastructure<sup>8</sup>.



Financial year	2022-23	2023-24	2024-25	2025-26	TOTAL
Budget impact	5 per cent	7.5 per cent	10 per cent	12.5 per cent	-



## 2. A stimulus package to fund active tourism

Australia is slowly opening back up, and we are all keen to get out and explore. Given border restrictions and the uncertainties around future international travel, it means that a lot of our travel and touristic activities is likely to be here at home.

This is a chance to really enhance our domestic tourism market. And what better way to do it than with a healthy dose of active-travel focused activities? Most tourist activities involve private vehicles<sup>12</sup>, which leads to traffic congestion<sup>13</sup> and puts a burden on our carbon footprint<sup>14,15</sup>. Mobility and accessibility are critical aspects that shape tourist activities<sup>16</sup>, so how can we turn this around?

A focus on active tourism funding brings an exciting opportunity to get Australians out of their homes and back into their communities and regional areas. It's also an opportunity to keep our tourism and bike economies healthy whilst promoting active behaviours.

Bicycle-related tourism already injects \$1.17 billion into the economy, and we know that Australians who ride a bike more will spend more<sup>1</sup>. In fact, if we can get people riding more often we can expect up to \$118 million per annum<sup>1</sup>.

This is where active-travel focused tourism is an exciting opportunity. It offers Australians a 'taster' of the bike-riding lifestyle and may encourage them to make a longer term investment. It offers an opportunity for a more diverse group of riders to have a go: women, children, and older adults.

A \$150 million per annum 'local discoveries' fund, offered to state governments in the form of grant packages, for repurposing existing space with active travel facilities, or to develop and expand current facilities (e.g. rail trails), as a means of stimulating domestic tourism and regional jobs.

We already have the breathtaking scenery, let's add some wheels to it.

Financial year	2022-23	2023-24	2024-25	2025-26	TOTAL (\$m)
Budget impact	\$150.0	\$150.0	\$150.0	\$150.0	\$600.0





### 3. Behaviour change programs for young people

It is a life-changing moment when a child masters the skill of riding a bike. In an instant they are able to move faster, explore further, and enjoy a newly found level of independence.

We think all children deserve this moment. It is important to promote bike riding at an early age, so that these skills and habits can be adopted for life. It also means that the physical, mental and social benefits that are the cornerstone of bike riding start early and progress well into adulthood.

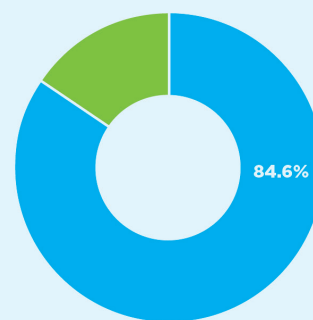
This is why Bicycle Network recommends that behaviour change programs should be a fundamental component of any bike strategy. They offer positive motivation for participants by increasing their skills, easing their concerns, and highlighting the advantages of participating.

Many young people currently use bikes for recreation, but do not ride for transport purposes, such as travelling to school. Moreover, they do not learn important road safety behaviours in a controlled environment. This is why a national bike-focussed behaviour change program is critical for ensuring we foster generations of bike-positive kids.

Bicycle Network recommends that the Australian Government allocate \$20 million per fiscal year for behaviour change programs that provide young people with bike education, safety training, and skill development.

#### Fact box

A staggering **84.6 per cent** of Australians do not meet the physical activity guidelines set by the Australian Government.



Data source: National Health Survey: First Results, 2017-2018

Financial year	2021-22	2022-23	2023-24	2024-25	TOTAL (\$m)
Budget impact	\$20.0	\$20.0	\$20.0	\$20.0	\$80.0



## 4. A national bike incentive scheme

If we are serious about getting more people travelling on a bike, let's put down an incentive to get them started.

There are already precedents being set. Many state governments are already announcing subsidies, stamp duty waivers, zero-interest loans, and other financial incentives for the purchase of electric vehicles. While this is a positive step towards more sustainable transport options, it does not solve the road congestion issues affecting our cities. There is where a co-existing bike subsidy scheme is important.

To become a bike riding nation, and to reap the maximum economic and sustainability benefits, we need to build a bike fleet. For many Australians the barrier to riding a bike is, quite simply, the price.

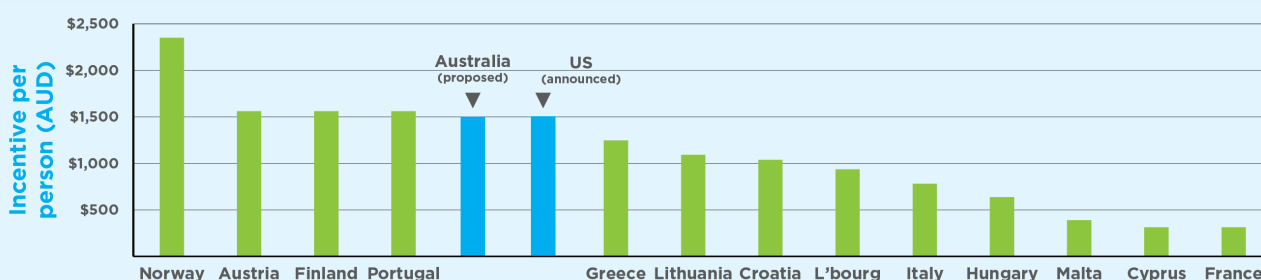
A small spend could offer a great impact. A \$75m per annum spend to provide 30 per cent rebates on bikes (capped at \$1500) will provide 50,000 Australians with a bike, and potentially double the number of bike-based work commutes every two years.

An Australian bike subsidy scheme doesn't have to be complicated. We can develop the right framework by leveraging successful incentive program models in Sweden, Germany, Austria, and the UK, which have demonstrated increased rates of active travel, reduced rates of transport-related emissions, and increased participation from new female riders.

Financial year	2021-22	2022-23	2023-24	2024-25	TOTAL (\$m)
Budget impact	\$75.0	\$75.0	\$75.0	\$75.0	\$300.0

### Fact box

There are **almost 300** tax-incentive and purchase-premium bike incentive schemes across Europe<sup>17</sup>.





## 5. A safer national vehicle fleet

We need to start taking real action on vulnerable road user deaths. Bicycle Network’s Fatality Report reveals that 36 Australians on average die whilst riding a bike each year, a figure that has not changed in 20 years<sup>18</sup>. Clearly, the steps we have taken to protect our nation’s riders so far have not worked.

That’s why we are recommending the Australian government to prioritise vehicles safer. Some efforts will fall into the policy domain, such as strengthening vehicle safety standards and design rules, and mobile phone blocking legislation. Other efforts require a dedicated investment.

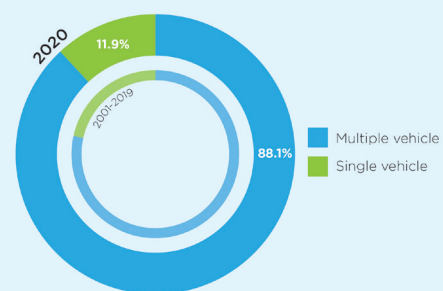
Australia should start by advancing the mandatory fitting (and retro-fitting) of safety technologies in new goods vehicles (NB, NC) and trailers (TC, TD) over 4.5 tonnes gross vehicle mass (GVM).

Bicycle Network recommends that the Australian government provide heavy vehicle operators with an assistance package to ease financial pressures associated with procuring and fitting critical safety technologies. These include:

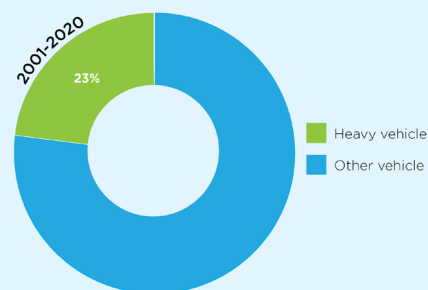
- Class V mirrors and other devices for indirect vision
- Blind spot information systems;
- Lane departure warning systems;
- Side underrun protection; and
- Left turn audible warning devices.

### Fact box

About **88 per cent** of bike fatalities involve a collision with another vehicle.



And on average, **1 in 5 fatal bike crashes** each year involves a heavy vehicle (e.g. bus, truck).



Data source: Bicycle Network Fatality Report 2020

Financial year	2021-22	2022-23	2023-24	2024-25	TOTAL (\$m)
Budget impact	\$150.0	\$150.0	\$150.0	\$150.0	\$600.0

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