



# Rewiring Australia

## **Let's do more with less and *electrify everything***

*Economic Reform Roundtable Submission - July 2025*

The biggest opportunity to advance productivity and well-being in Australia is ready to go: let's switch our inefficient fossil-fueled machines over to electricity.

We can generate vast amounts of electricity from renewables and the supply chain required to deliver that energy is the quiet hum of the electricity grid we already have, replacing the enormous system of mines, oil rigs, ships and trucks required to deliver 127 million tonnes of fossil fuels globally every day. When that energy gets to its destination, electric machines are far more efficient than their fossil fuel equivalents.

Switching from fossil fuels to electricity will be a huge structural upgrade to Australian productivity. Electrification unlocks an energy-abundant, economically efficient and environmentally sustainable future.

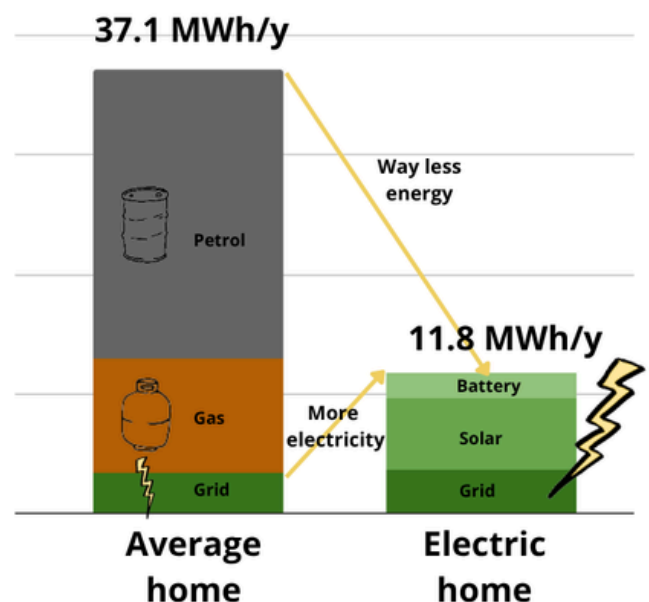
## 1. Electric homes do more with less.

Switching from gas to electric hot water, heating and cooking slashes energy usage (and energy bills). We can wind up gas connections and the residential gas network, removing billions of dollars of costs in infrastructure. We can power it with Aussie rooftop solar, the cheapest energy on earth, and batteries and electric vehicles in the garage able to store and use it around the clock.

Throw in some e-bikes charged up for the quick shop and school runs to reduce congestion, and electric boats and jetskis parked in the driveway ready to rule the weekend: the all-electric households of the future are an upgrade to look forward to. Rewiring Australia details the savings for all-electric homes in 2025 in our latest [Tipping Point report](#).

We can accelerate this upgrade for everyone with a straightforward agenda. Let's:

- **Provide flexible, consumer-friendly, property-secured deferred finance** to help everyone afford the upfront costs;
- **Fix the rental housing market with the minimum standards and incentives** to make sure renters get upgraded homes too; and
- **Extend the SRES subsidies to electric cooking, heating and bidirectional EV charging** and get the rest of the electrification job done.



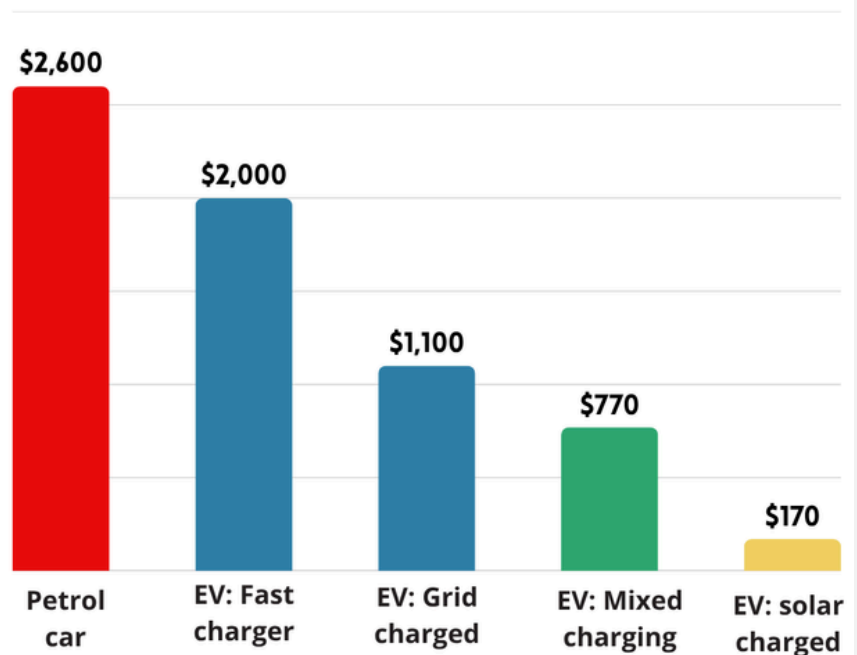
## 2. Electric transport does more with less

Australia pays a lot - \$160m every day - to import fuels. We could be driving EVs fueled by local solar instead for a fraction of the cost. And if we can lower the cost of transport, in a country with almost the most kilometres of roads per capita in the world, we're lowering the structural cost of groceries, farming supplies, emergency services, building materials - the benefits flow through the whole economy.

We should accelerate the switch to EVs:

1. **Continue policies that drive new car buyers to choose electric** - the FBT exemption is popular and working well;
2. **Target specific incentives and rebates for EVs to car owners who drive the most** - the nurses, tradies, teachers and commuters who pay the highest petrol bills. About half of all driving is done by just 20% of vehicles - these busiest vehicles should be the priority to switch;
3. **Reduce upfront EV costs by offering an upfront discount that's funded by an increased annual registration fee** - ensuring more Australians afford to make the switch sooner, while still net saving every year thanks to lower fuel costs.

**Average Australian annual driving costs and energy pricing**



### 3. A rooftop solar and battery-powered grid does more with less.

Replacing petrol and gas with electricity will nearly *triple* the demand on our electricity system. Fortunately, our electricity systems can move a lot more energy - we just need to maximise demand at the right times, and use storage spread throughout our homes and neighbourhoods. Instead of expensive upgrades to powerlines to serve occasional peak bursts, EVs and hot water can soak up solar during the day, and batteries can 'smooth' our electricity usage with charging and discharging. The more we can make, store and use electricity close to where it's needed, the less we need to add to the electricity grid.

The grid can do more with less and help electrify everything.

We should:

1. **Reform and streamline neighbourhood battery deployment** - getting the land planning approvals, connection timelines and pricing offers right;
2. **Raise SRES size limits** for solar and battery support and encourage larger commercial solar and battery installations; and
3. **Incentivise or mandate workplaces to offer EV charging** to employees to maximise daytime charging from solar.