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Committee Secretary
Senate Standing Committees on Environment and Communications
PO Box 6100
Parliament House
Canberra ACT 2600

Motor Vehicle Standards (Cheaper Transport) Bill 2014

The Australian Automobile Association (AAA) is the peak organisation representing Australia's motoring clubs. The AAA's constituent clubs are the NRMA Motoring and Services, RACV, RACQ, RAC (WA), RAA (SA), RACT, AANT and the RACA. Combined, these clubs represent more than seven million Australian members, and advocate on behalf of all road users.

The AAA appreciates the opportunity to provide a submission to the Senate Inquiry into the Motor Vehicle Standards (Cheaper Transport) Bill 2014.

Outline of The Bill

The Bill requires certain percentages of all motorcycles, light passenger vehicles and light commercial vehicles to meet CO₂ emissions limits of 130 gCO₂/km until 2020, and 95 gCO₂/km in later years.

It appears that the Bill has attempted to apply the European CO₂ emission standard to Australia. However, there are a number of issues with the way in which this has been done.

Fleet CO₂ Emissions Target

The CO₂ emissions targets specified for Europe (130 gCO₂/km and 95 gCO₂/km) were determined from modeling of the European vehicle fleet¹, and only have relevance in the context of the type of vehicles of which the fleet is comprised, and the test method by which the CO₂ emissions are measured for each vehicle. Furthermore, the fleet modeling, by which the European targets of 130 and 95 gCO₂/km were determined, considered only light passenger vehicles.

¹ http://ec.europa.eu/clima/policies/transport/vehicles/studies_en.htm



The Bill does not detail the test method to be used to measure CO₂ emissions for each vehicle, nor does it reference any fleet modeling data for Australia. The Australian vehicle fleet differs significantly from the European vehicle fleet, both in the type of vehicles sold and the proportions in which each of these types of vehicles are sold. As a result, a different fleet carbon emissions target could be expected for Australia.

No justification has been provided for the application in Australia of the vehicle carbon emissions standard described in the Bill. It is not possible to forecast the effect on the Australian vehicle fleet and the consequent effect on Australian motorists.

Application of the Vehicle Carbon Emission Standard to Vehicle Manufacturers

The Bill requires a specified percentage of the vehicles supplied by a person to the Australian market to meet the 130 and 95 gCO₂/km targets.

This is not consistent with the application of CO₂ emissions standards elsewhere in the world.

In Europe, the average CO₂ emissions from all vehicles sold by each vehicle manufacturer must be less than a particular value that is determined by a limit curve for each manufacturer. In recognition of the fact that heavier vehicles use more fuel and hence emit more CO₂ than lighter vehicles, the limit curve requires a manufacturer selling mostly lighter weight vehicles to meet a lower CO₂ emissions value than a manufacturer selling mostly heavier weight vehicles. If all manufacturers comply with the emissions values for their vehicles as determined by the limit curve, the average CO₂ emissions of the entire European fleet is expected to be 130 gCO₂/km. The 130 gCO₂/km target is not applied to each individual vehicle manufacturer supplying vehicles in Europe.

Conclusion

The application of carbon emissions standards for motor vehicles as described in the Bill is unclear. The requirements for CO₂ emissions limits for each vehicle manufacturer are unclear, and as a result, the impact on motorists is unable to be estimated. Consequently, the AAA cannot support the proposed Bill.