

**Australian Transport Council / Environment Protection and Heritage Council –  
Vehicle Fuel Efficiency Working Group**

**Vehicle Fuel Efficiency –  
Potential measures to encourage the uptake of more fuel efficient, low carbon  
emission vehicles.**

**Submission Template**

---

Name:

Company/Organisation:

Position:

Postal Address:

Phone number:

Fax number:

Email address:

Comment on the discussion paper is invited from interested stakeholders and members of the public. While comments are welcome on any aspect of the paper, readers are particularly asked to respond to the questions raised in Section 4 regarding the potential measures and in Section 7.

All submissions will be treated as public unless confidentiality is requested for all or part of the submissions. The Working Group requests, however, that the scope of any material requested to be kept confidential be limited to the minimum necessary.

Readers are encouraged to use this submission template as a basis for submissions. The Working Group has posed a series of targeted questions in order to provide a degree of consistency across submissions and to simplify the consideration of submissions. Readers are not required to complete the entire submission template. Comments on individual measures are welcome. Submissions in alternative formats will be accepted.

Electronic and handwritten submissions are welcome. A separate template for handwritten submissions is available from the Vehicle Fuel Efficiency Secretariat.

Contact details have been requested in case the Working Group needs to contact you to discuss aspects of your submission at a later date.

Please attach this coversheet to your submission and submit it to the Working Group via:

Email: [vfedpaper@environment.gov.au](mailto:vfedpaper@environment.gov.au)

Fax: (02) 6274 1478

Phone: (02) 6274 1774

Post: Vehicle Fuel Efficiency Secretariat  
Department of the Environment, Water, Heritage and the Arts  
Renewables and Energy Efficiency Division (REED)  
Energy Futures Branch  
Technology and Transport Section  
GPO Box 787  
CANBERRA ACT 2601

---

## General comments on a package of measures

---

1. Do you consider the actions of the type outlined in this paper are required, or are current arrangements sufficient?

Although recent high fuel prices are helping, it is submitted that this range of actions are required in order to encourage uptake of more fuel efficient vehicles.

2. If you consider further actions may be required, which measures, or package of measures, offer the greatest potential to cost-effectively reduce greenhouse emissions from the road transport sector?

Electric and hybrid vehicles in particular are not medium to long term solutions. The technology exists now and the emphasis should be placed on encouraging the purchase of these vehicles.

3. In your view, are there particular combinations of measures that would enhance the potential benefits of the measures?

A possible measure to increase the demand for low emission vehicles could be through the provision of direct financial incentives. With the private sector being the largest purchaser of vehicles this particular incentive could have a significant effect on the type of vehicle purchased. Legislation is also a necessary requirement in order to maximise the benefits.

4. Are there barriers or challenges to the uptake of low emission transport technologies in Australia which have not been identified in this paper?

Perhaps there is a requirement for incentives for vehicle manufacturers to produce more fuel efficient models rather than just for the purchaser of the vehicle. Legislation is fine but additional incentives may make manufacturers more open to accepting legislation. Currently in Australia there is a barrier through not being able to buy what is not currently available on the market despite being available elsewhere in the world. This makes it very difficult for the public to be able to select from a wide range of hybrid or electric vehicles despite them currently being available elsewhere.

5. Are there opportunities to improve vehicle fuel efficiency within the Australian road transport sector which have not been identified in this paper?

Not enough emphasis has been placed on the role of Electric and hybrid vehicles. The paper suggests that these are medium – long term solution despite the technology currently being available. The paper shows the large gains available by use of hybrids whilst there are smaller gains to be made through modifying fuel efficiency only.

6. Do you have views on possible social or economic impacts arising from measures outlined in this paper? How could these impacts best be managed?

Greater fuel efficiency will lead to lower fuel consumption and therefore a lowering of Greenhouse gas emissions. This will have social and economic benefits.

7. General Comments

---

**Category 1      Measures to Increase the Supply of Low Emission Vehicles**

---

**1.1      CO<sub>2</sub> Emission Targets for New Light Vehicles**

---

1. Do you consider there is a case for tightened CO<sub>2</sub> standards for the light vehicle fleet in Australia?

It is submitted that there is a case for tightening CO<sub>2</sub> standards on all vehicles but agrees that with the significant proportion of Australian vehicles being light fleet that this is the most appropriate vehicle type to target.

2. If you consider tightened standards are required, should they be voluntary or mandatory?

Mandatory targets are more likely to achieve the desired outcome. They may not be as popular with manufacturers although they do prefer the benefit of a level playing field.

3. Do you have a view about the design of any system – for example do you agree that the standard should be a sales-weighted average? Do you agree with the European Union proposal to link the standard to vehicle weight, or should it be based on different parameters?

It is submitted that a Mandatory sales weighted averaging methodology covering the full range of models sold in Australia should be adopted and the levels for CO<sub>2</sub> reduction and timeframes should be such as to drive manufactures to seek more innovative options such as hybrids, electric hybrid and battery electric vehicles.

4. Do you consider that CO<sub>2</sub> standards can effectively operate independently of other measures, or are other measures critical to their success?

No, they must be in line with safety and other emission and performance standards.

5. Do you consider that market pressures, such as rising fuel prices, will be sufficient to deliver significant CO<sub>2</sub> reductions from the light vehicle fleet, without the need for CO<sub>2</sub> standards?

Although rising fuel prices will undoubtedly deliver a reduction in CO<sub>2</sub> emissions from vehicles it is submitted that standards are also required in order to contribute towards emissions targets. Fuel prices are open to fluctuation whereas legislative targets are non-negotiable.

## 6. General Comments

Penalties do not encourage compliance where there are no alternative variants available. BCC is continually restricted by the marketing decisions of manufacturers which restrict the type of vehicles available in the market. Where the intention is to procure 4 cylinder diesel auto utilities the manufacturers continue to import 6 cylinder petrol as the only variant available.

---

**Category 2 Measures to Increase Demand for Low Emission Vehicles**

---

**2.1 Restructure State registration and stamp duty charges for light vehicles**

---

1. Would a stamp duty differential charging scheme be an effective means of encouraging consumers to purchase more fuel efficient vehicles?

2. Would a registration differential charging scheme be an effective means of encouraging consumers to purchase more fuel efficient vehicles?

3. Of the range of basic system models outlined in Measure 2.1 of the discussion paper, which would be the most effective at improving vehicle fuel efficiency and most understandable to the average motorist?

Introduction of a bonus / rebate by the Commonwealth Government to encourage the average motorist to move into a more environmentally friendly vehicle.

4. What other considerations should be made in the design of any system?

Any system design should not differentiate between government and business fleets and the general public as the vehicles being sold back into the second hand market must reflect the general community demand to ensure residual values are maintained.

5. General Comments

Carbon Pollution Reduction Scheme revenue could be directed into this area.  
Needs to be the availability of energy/fuel efficient vehicles and incentives at point of sale.

---

**Category 2      Measures to Increase Demand for low emission vehicles**

---

**2.2      Provision of direct financial incentives/disincentives based on vehicle CO<sub>2</sub> emissions.**

---

1. Do you consider that direct rebate for low emission vehicles are an effective measure in reducing CO<sub>2</sub> emissions?

Yes, as fuel prices rise consumers are looking for more efficiency from vehicles and the rebate just adds an extra incentive. It is vital that the correct purchasing decision is encouraged.

2. If so, do you consider that the cost of rebates should be offset with higher fees on high emitting vehicles (i.e. a feebate scheme)?

No

3. Do you agree that any scheme should be based on CO<sub>2</sub> emissions and not linked to particular technologies?

It should be done by comparable vehicle outputs.

4. If a scheme was to be introduced, would you support it being based on a single threshold, or do you support a range of “class” based thresholds? What do you consider are the advantages and disadvantages of such approaches?

We would have to firstly review the proposal before considering supporting it.

5. General Comments

As previously mentioned, the technologies need to be available on the market for people to buy.

---

**Category 2 Measures to Increase Demand for Low Emission Vehicles**

---

**2.3 Develop fleet purchasing frameworks that incorporate greenhouse reduction objectives**

---

1. Do you consider fleet operators would be motivated to participate in a national fleet accreditation process to improve the fuel efficiency of their fleet?

It is submitted that fleet operators would be motivated to participate in a national fleet accreditation scheme as long as the overall benefits were clearly communicated.

2. If you do, what benefits do you consider fleet operators would expect to result from participation in such a scheme?

Financial savings from fuel efficient fleet, recognition that the business was taking steps to become more environmentally friendly. Should allow for clearer decisions about the types of vehicles to include in fleet.

3. Do you think that an accreditation scheme should have the sole goal of reducing CO<sub>2</sub> emissions? Should additional goals be considered (such as air quality)?

It is submitted that the scheme should have as many realistic and therefore achievable goals as possible. Again hybrids and electric vehicles can offer the benefits of noise reduction, no air pollution through dust from braking and less pollution from lubricants.

4. Are you aware of fleet fuel efficiency schemes operating within Australia or overseas? Has there been an analysis of the effectiveness of these schemes?

The only successful schemes are those which have incorporated incentives to cash out of old vehicles to effectively reduce the age of the vehicle fleet.

5. General Comments



---

**Category 3      Measures to Improve Consumer Awareness**

---

**3.1      Including Fuel Consumption Data in Vehicle Advertisements**

---

1. Do you consider there is a case for including fuel consumption and CO<sub>2</sub> emissions data in vehicle advertising?

It is submitted that there is a case for this. Consumers are slowly becoming more and more aware of environmental issues and terminology and providing this information allows them to make an informed decision and eases comparison between makes and models.

2. If so, what do you think would be the best way to implement it?

A set of mandatory requirements delivered via regulation including market access.

3. Are there any matters not identified which would facilitate or impede the introduction of this measure? We are particularly interested in any published material you can point to.

Star rating like electrical appliances for fuel consumption as well as emissions. System based on vehicle category.

4. What do you consider are the costs and benefits of the measure, and their likely magnitude? What is the basis of your views on this question?

Choices from consumers based on Government certified facts rather than sales pitches. Products must be available on the market.

5. Are you aware of any other countries implementing similar measures, and whether there has been any analysis of their effectiveness?

6. General Comments

---

**Category 3 Measures to Improve Consumer Awareness**

---

**3.2 Standards / Labelling Requirements for Non-engine Components Which Impact on Fuel Consumption**

---

1. Do you consider that measures in relation to non-engine components are worth pursuing?

It is submitted that there should be consideration of measures in relation to non-engine components as worth pursuing as they can all help towards to goals of greater fuel efficiency and lower greenhouse gases. Pursue manufacturers to install cost efficient accessories e.g. AC units

2. Do you agree with the Working Group's assessment that Australia should move quickly to assess/establish within Australia any measures agreed to internationally?

The government should work with industry in respect of the measures which are appropriate to take up and in a workable time period.

3. General Comments

---

**Category 3                      Measures to Improve Consumer Awareness**

---

**3.3      Heavy Vehicle Environmental Rating Scheme**

---

1. Do you consider there are gaps/inadequacies in the provision of heavy vehicle fuel efficiency data to business purchasers? Can you identify those deficiencies?

Not enough information is available for varying vehicle use. The Test bed information currently provided is not adequate to effectively assess fuel usage.

2. If deficiencies exist, what do you consider is the most effective way to address these? Do you consider there is a case for web-based fleet management tools, and how should they be funded?

Government should work with industry.

3. What do you think would be the most important areas for any tools to address?

Government should work with industry to determine this.

4. Are you aware of any other countries implementing similar measures and whether there has been any analysis of their effectiveness?

5. Are there any additional matters that would facilitate or impede the introduction of fleet management tools? We are particularly interested in any published material you can point to.

6. Do you think the development of fuel efficiency guides for fleets would be a cost effective means to reduce fuel use of heavy vehicles?

No, it wouldn't be effective for existing fleet but would influence future purchasing decisions because fuel usage for heavy vehicles is to dependant on the operational environment – percentage of time the unit is fully loaded, the amount of travel time driving unloaded.

7. Do you consider there is a case for development of a heavy vehicle environmental rating scheme similar to the light vehicle rating scheme? Do you agree with the assessment that any scheme should wait for the finalisation of international emission measurement standards?

No – The current emission standards currently moving to Euro 5 should be the mechanism for change for new vehicles and the current system for eligibility for fuel rebate requires that older vehicles are submitted to the DT80 testing. An updated role out of the DT80 testing for newer vehicles attached to the fuel rebate would assist to reduce the age of the heavy vehicle car park.

8. What do you think would be the most important areas for any scheme to address?

Influencing purchasing decisions and ensuring that benefits are paid upfront.

9. General Comments

---

**Category 3      Measures to Improve Consumer Awareness**

---

**3.4      Establish a technology demonstration scheme for Australian road transport fleets linked to achievement of greenhouse outcomes**

---

1. Do you consider a subsidy scheme to support the development and trial of emerging low emission technologies is necessary to encourage innovation within the light commercial and heavy vehicle market segments? If so, is it an effective approach?

The required technologies currently exist and rather than spending money on trialling emerging technologies it should be spent on regulation to ensure that these existing technologies are deployed as soon as possible.

2. Are there additional (non-financial) barriers to the adoption of proven and emerging low emission technologies within the light commercial and heavy vehicle segments?

No, they are all financial – high up front costs of new low emission technologies.

3. Are you aware of any other countries implementing similar measures and whether there has been an analysis of its effectiveness?