Lake Macquarie City Council

21 March 2016

Vehicle Emissions Working Group
The Department of Infrastructure and Regional Development
GPO Box 594
CANBERRA ACT 2601

Dear Vehicle Emissions Working Group

**Subject: Submission - Vehicle Emissions Discussion Paper**

Thank you for the opportunity to provide comment on the Vehicle Emissions Discussion Paper. At its meeting of 14 March 2016, Lake Macquarie City Council resolved to make a submission to you on the options presented in the discussion paper.

Responses to a number of key questions raised in the discussion paper are provided below:

**Options to reduce vehicle emissions**

*If Euro 6/VI standards were adopted, when would be an appropriate start date, and why?*

Noxious gases from motor vehicles are pollutants of some note for the City of Lake Macquarie. In 2013-14, motor vehicles were the most significant emission source of carbon monoxide (76.3%), and total volatile organic compounds (46%); and a dominant emission source of oxides of nitrogen (17.2%). Council recognises that these emissions may have a range of physiological impacts, including the exacerbation of existing heart and lung conditions.

Council understands that the United Nations (UN) Regulations for noxious emissions are aligned with the "Euro" standards from the European Union (EU), and the current standard is Euro 6 for light vehicles and Euro VI for heavy vehicles. Further, it is noted that these standards are adopted by most developed countries aligned with the UN.

Council recognises that emission limits for noxious gases, from the Australian motor-vehicle industry, require immediate attention. In the short term, Australia should aim to adopt the Euro 6/VI standard for emissions of noxious gases, and in the longer term, should aim to be a leading participant in negotiations on international policy concerning these emissions. Council would expect that Australia begin the process to align with the Euro 6/VI emission standards as soon as practicable. Given that other developed countries are operating in compliance with the standards, a conservative timeframe of five years is considered realistic for the implementation of policy measures, should the project be resources appropriately.



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**Develop Fuel Efficiency ($CO_2$) Standards**

*What are the costs and benefits of adopting a fleet average standard for fuel efficiency ($CO_2$)?*

Significant financial and environmental benefits would be achieved by Australia adopting the European or US fuel efficiency standards for new passenger vehicle fleets. As the Discussion Paper outlines Australia's new fleet has an average of 177 g/km for passenger vehicles and 235 g/km for light commercial vehicles. In the US the fuel efficiency standard in 2016 is 151 g/km for new passenger vehicles and the EU fuel efficiency standard in 2015 is 130g/km.

It is highly likely that there will also be significant financial and environmental benefits from adopting a national standard for heavy vehicle efficiency as has occurred in the US, Canada, China and Japan.

Lake Macquarie City Council's Greenhouse Gas Emissions Reduction Policy sets targets of a 3% per annum reduction in greenhouse gas emissions for Council operations from a 2007/08 baseline. With its fleet comprising 39% of the Council's emissions, mandatory adoption of either the US or EU fleet average standard for fuel efficiency would significantly assist Council to meet those targets.

*If standards were adopted, what would be an appropriate fleet average target for 2020 and why? What would be an appropriate target for 2025 and why?*

Costs to vehicle manufactures would be minimised by adopting either the US or European standard by no later than 2020. Its adoption would also maximise economic and environmental benefits. As outlined in the report mandatory fuel efficiency or $CO_2$ emissions for light vehicles are in place in approximately 80% of the global light vehicle market – including the US, the EU, Canada, Japan, China and India.

*Should the Australian Government conduct a review to consider whether noxious emissions standards for motorcycles should be adopted in Australia?*

Yes, in addition to a motor cycles standard, power-boats and heavy machinery such as farming and mining equipment should also be considered.

*Have you found the information provided on the fuel consumption label and the Green Vehicle Guide website useful in considering the purchase of a new vehicle?*

The information provided on the fuel consumption label and the Green Vehicle Guide website has been used by Council's fleet manager to determine the fuel efficiency of vehicles that meet our sustainability goals and also meet the needs of Council staff. The information has allowed Council to demonstrate the reductions in $CO_2$ emissions in meeting its target reduction of 3% per annum.

*How could the information provided on the fuel consumption label and the Green Vehicle Guide be improved to encourage the purchase of more efficient vehicles?*

A star rating guide in a similar fashion to those used for electrical appliances. Consumers largely understand that the more stars means a better energy rating and therefore it's cheaper to run the appliance. This influences not only the purchaser but the vendor in promoting more efficient appliances.

*At what point in the decision making process is information on vehicle efficiency most effective in influencing purchasing decisions and what information mediums are most effective?*

The greatest influence on purchasing decisions for vehicles is made by car reviews on independent websites and family and friends. There is no one point in the process whereby information on vehicle efficiency is most effective, however the research phase is the one most likely to influence decision making. There is variation in the rating of this measure by different generations. Vehicle efficiency will have most influence on Generation Y, which is largely influenced by initial affordability and the ongoing operational costs as well as sustainability issues.

*What could governments do to improve the availability of data on fuel efficiency of used vehicles?*

The current data on the Green Vehicle Guide is very useful and it would be worthwhile promoting this website for people who are considering purchasing a vehicle. This could be done by promotion of the website on car guide websites (i.e. redbook.com.au), through dealership webpages and social media promotion. Linking fuel-efficient vehicles with high saleability could also influence dealers and sellers in promoting the website.

*How could governments encourage more efficient driver behaviour?*

Driver training programs that highlight the environmental benefits coupled with reduced running costs would be an attractive message to young people who are highly influenced by professional driving instructors. Going at a slower and consistent speed is a behaviour that not only reduces costs, but increases safety. This is a message that could be targeted towards family members who are teaching young people to drive. Government campaigns that focus on the change of behaviour regarding positive outcomes such as cheaper running costs and the difference in speed for safety may be helpful.

*What role, if any, should the Government fleet purchasing policy play in encouraging the supply and purchase of more efficient vehicles?*

All levels of Government should only consider purchasing compliant vehicle products.

*Should the Australian Government conduct a testing program to assess the effectiveness of UN Regulations in reducing real-world emissions?*

Test conditions for heavy vehicles should not unduly disadvantage heavy vehicle hybrids and consider the progress of the World Forum for Harmonization of Vehicle Regulations for emission testing for heavy vehicle hybrids.

Please don't hesitate to contact Council's Sustainability Manager, Dean Chapman [redacted] if you would like to discuss any aspect of this submission.

Yours sincerely

Brian Bell
**General Manager**