

The Fuel Efficiency Standard – Cleaner, Cheaper to Run Cars for Australia – Comments on the April 2023 Consultation paper

Summary position

I support this review of fuel efficiency standards, and I appreciate the opportunity to comment on their application.

It goes without saying, that I strongly endorse the adoption, as soon as is practicably possible, of an enforceable vehicle emissions standard for *all* vehicles.

I also support the premise in the title of the Consultation paper that if Australia finally adopts a fuel efficiency it will lead to cleaner, and cheaper to run motor vehicles for Australians.

Finally in relation to the specific questions posed in the Consultation paper, I support the policy positions put forward by the Australian Electric Vehicle Association (AEVA), of which I am a member, in its Response to the Consultation Paper.¹

“Cleaner Cars for Australia”

In my view, it needs to be made abundantly clear that “cleaner” motor vehicles mean that they produce less pollution, primarily air pollution, and that reducing air pollution will in turn reduce the staggering health costs relating to air pollution.

The transport sector contributes nearly 98 million tonnes of greenhouse gases (GHG) and other air pollutants annually² which, as the Consultation paper points out is nearly 20% of our country’s total GHG emissions. These emissions lead directly to \$3 billion health costs in the Newcastle-Sydney-Wollongong area alone.³

Another factor, associated with traffic emissions, is that they create pollution hot-spots near major highways, busy roads and intersections. Pre-schools, schools and residential units are often situated near such locations and the people using such facilities are thereby exposed to a disproportionate amount of pollution and related health deficits.⁴

¹ Australian Electric Vehicle Association, The Fuel Efficiency Standard: Response by AEVA to the Consultation Paper 30 May 2023 at: <https://www.aeva.asn.au/ev-policy-submissions/> especially pages 3-11, accessed 31 May 2023

² Climate Council, Waiting for the green light: Transport solutions to climate change, (2018) at https://www.climatecouncil.org.au/wp-content/uploads/2018/09/CC_MVSA0154-Report-Transport_V5-FA_Low-Res_Single-Pages.pdf, page II,

³ Electric Vehicle Council and Asthma Australia, *Cleaner and Safer Roads for NSW* (June 2019) at: <https://electricvehiclecouncil.com.au/reports/cleaner-and-safer-roads-for-nsw/>, based on data from NSW Department of Environment and Conservation (2005) *Air Pollution Economics: Health Costs of Air Pollution in the Greater Sydney Metropolitan Region*.

⁴ Clare Walter, Elena Schneider-Futschik and Louis Irving, Traffic pollution near childcare centres in Melbourne, (2019) at: <https://onlinelibrary.wiley.com/doi/pdf/10.1111/1753-6405.12915>,

The cost-benefit analyses in papers produced for the previous federal government about this issue, namely the “Better fuel for cleaner air Draft regulation impact statement”⁵ and the “Draft Variation to the National Environment Protection (Ambient Air Quality) Measure for sulfur dioxide, nitrogen dioxide and ozone, Impact Statement”⁶ trade-off the additional compliance, administrative, refining or machinery upgrading costs etc against human suffering – death, disease and disability – caused by air pollution. In other words, these analyses clearly show that cleaner air, less pollution from motor vehicles, leads to better health outcomes for the Australian population and significant savings on the estimated \$16 billion cost per year in deaths caused by air pollution.⁷ That this relationship has been well-known and documented but not acted upon, verges on the obscene.

In addition to the human health costs, there are the costs to our planet’s environmental systems caused by air pollution. Acid rain, caused primarily by NO₂ and SO₂ combining with other airborne substances, is one such major impact.

In all, the WHO regards air pollution as the single biggest environmental risk to global health.⁸

“Cheaper to Run Cars for Australia”

The Consultation paper, along with many other reports including the two papers produced for the previous Australian government (mentioned above) make it abundantly clear that more fuel efficient vehicles are cheaper to run. Motor vehicles also become cheaper to buy as our fuel standards equate to those in the rest of the developed world.

The fact that Australia has tried but failed to impose fuel standards over the past 20 years, has meant that in the past 3 years alone Australian consumers have spent \$1 billion more on fuel and fuel costs than they would have if internationally harmonised standards had been introduced.⁹ These additional costs flow through the whole economy and thus impact all Australians not just those who own and run motor vehicles. Again, as the Consultation paper points out, such savings are especially important at this time when cost of living pressures are so intense.

⁵ Department of the Environment and Energy. *Better fuel for cleaner air*. Regulation Impact Statement. August 2018, at: <http://www.environment.gov.au/fuel-quality-standards-review>

⁶ Draft Variation to the National Environment Protection (Ambient Air Quality) Measure for sulfur dioxide, nitrogen dioxide and ozone. Impact Statement. Prepared for the National Environment Protection Council, May 2019, at: <http://www.nepc.gov.au/system/files/consultations/8710bdfb-ed01-4df9-8697-bc75956991a1/files/aaq-nepm-draft-variation-impact-statement-o3-no2-so2.pdf>

⁷ Health Effects Institute (2017), ‘State of Global’, Air 2017’ (online database), www.stateofglobalair.org. Ambient PM + Ozone mortality: Australia -3099 deaths (2015 global burden of disease x \$A5.2M the 2010 value of statistical life)

⁸ World Health Organisation Regional Office for Europe (2017), *WHO’s commitment to air quality: from the 1950’s to today*. at: <http://www.euro.who.int/en/health-topics/environment-and-health/air-quality/news/news/2017/02/whos-commitment-to-air-quality-from-the-1950s-to-today>

⁹ Robin Smit, Jake Whitehead and Nic Surawski, “Australians could have saved over \$1 billion in fuel if car emissions standards were introduced 3 years ago, *The Conversation*, May 30 2019, at: <https://theconversation.com/australians-could-have-saved-over-1-billion-in-fuel-if-car-emissions-standards-were-introduced-3-years-ago-117190>