

28 May 2023

Department of Infrastructure, Transport, Regional Development, Communications and the Arts  
GPO Box 2154  
Canberra ACT 2601  
Attention: Director, Fuel Efficiency Standards—Surface Transport Emissions and Policy Division

Dear Director,

I am writing to in support of this long overdue initiative. I strongly encourage you establish a strong fuel efficiency standard (FES), thereby facilitating the provision of more efficient technology (ICE & ZEV alike) and vehicles, as already exists in markets internationally.

Our local communities have very little ability to make choices in their own interest, or the interest of their fellow community members, when the domestic vehicle offering is hamstrung by what are regarded internationally as incredibly low fuel efficiency standards. My community, along with all communities across Australia, expect more than sub-standard vehicles equipped with second-rate technology.

I strongly urge you pursue a strong FES to capture not only the demonstrable economic benefits through reduced petroleum fuel consumption, but also the national security imperative in rapidly moving away from reliance upon fuels controlled by external sovereign states and importantly the health benefits that will come with reduced fuel consumption and the corollary reduction in pollutants and air particles which will result in significant avoided costs incurred by our society via the healthcare system.

Below I have included response to some of the key discussion points posed in the consultation papers.

*Are these the right guiding principles? Are there other principles that you think we should keep in mind?*

- Any FES should value the **health** of our community as a priority
  - This is an opportunity to capture and appropriately account for the value of the health impact of pollutants resulting from vehicle exhaust emissions.
  - This should be quantifiable in terms of health impacts and the various downstream impacts of this (such as reduced productivity in the workforce) readily presented in dollar terms, but recognition should also be given to the qualitative costs in terms of quality-of-life indicators, and health and wellbeing (e.g. what is the cost of the additional time spent in poor health not on the health system or due to lost productivity, but to that persons sense of wellbeing?)
- Recognise the overwhelmingly positive cost benefit argument (as per BITRE 2019). Importantly, recognise the current (and likely future) trajectory of variable factors are moving in a direction increasingly favouring a strong FES limit curve.

- Fuel price
  - Recognise the current price of fuel - much higher than that used in the BITRE analysis - which would only increase the favourability of the cost-benefit ration.
- Value of carbon
  - Recognise the increased price on carbon currently used by many markets - far greater than. Further, recognise that this will be direct abatement of carbon in a relatively accurate and quantifiable way - far more reliable than , say, vegetation offsets (within this country or without) – a consideration which should increase the appraisal of the carbons 'worth'. Highly reliable carbon reductions should be recognised and valued as such.
- Recognise the **national security** considerations relating to energy and fuel dependence

*Should the Australian FES start slow with a strong finish, start strong, or be a straight line or take a different approach?*

- I support a **start-strong** FES pathway starting **immediately**, with a goal of **105gCo2/km by 2025**. Starting strong is essential if we are to catch up on lost time. While acknowledging It will be a greater challenge, it is important we don't call upon past delays as reason to aim for lower outcomes - we must instead increase our effort. Various factors have changed to make a start-strong approach feasible (market forces, technology, increasing consumer awareness).

*Should an Australian FES adopt two emissions targets for different classes of vehicles?*

- I strongly favour only a single emissions target. Given the target would be fleet-based, the manufacturer will modify their fleet accordingly. There will be room for slightly higher emissions vehicles if the manufacturer ensures the balance of their fleet are highly efficient. Those who wish for a slightly larger vehicle will pay for the technology improvements to allow fleet-based emissions targets to be met.  
If, upon consideration of all the evidence, it was still deemed absolutely necessary to introduce a second emissions target (for example, due to the broad classification of 'light vehicle' being *too* broad) then I would suggest the second target be extremely limited and target very specific vehicles.  
As such, any second classification of vehicle that may receive *slight* concessions on the FES should be designed to be highly targeted (e.g. a make and model list) as opposed to broad characteristics (e.g. 'body type') which could bleed across into general unspecified use. This aspect of the FES must be designed to avoid ongoing support of vehicles of excessive mass and emissions deployed where a more efficient vehicle would suffice— e.g. the proliferation of 4WD and SUV vehicles in general urban and domestic use where a sedan. Personal preference for body or style of vehicle should not be a serious consideration of the FES. Functionality should be the primary consideration.

I thank you for taking time to consider my submission.

Yours sincerely,



Cr Jack Herry

