

**Submission from the Department of Infrastructure Planning and Logistics  
to the Department of Infrastructure, Transport, Regional Development,  
Communications and The Arts**

**SUBMISSION TO THE AUSTRALIAN NEW VEHICLE EFFICIENCY STANDARD –  
CONSULTATION IMPACT ASSESSMENT**

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The Northern Territory Department of Infrastructure, Planning and Logistics (Department) would like to provide the following submission to the above Consultation Impact Analysis.

The Department made a submission to the April 2023 Australian Government Consultation Paper on introducing a Fuel Efficiency Standard (FES), supporting in principle a standard that is capable of meeting national objectives, however highlighting the following issues for the Northern Territory:

- The Northern Territory population is small and widely dispersed with some of the most remote communities in Australia. Isolated communities are connected by an extensive 36 000 km road network spread across 1.3 million square kilometres. While the 2 700 km national highway network is fully sealed, 75 percent of the network is unsealed, often rough and intersected by flood ways, creek and river crossings. Travel in the regional and remote areas of the Northern Territory often requires high clearance, diesel four-wheel drive vehicles;
- Compared to the national fleet which includes approximately 26 percent diesel vehicles, the Northern Territory fleet has a higher proportion of diesel vehicles (43.6 percent of the total fleet) with even higher proportions in regional areas (Alice Springs 45 percent, and Tennant Creek and Katherine 60 percent);
- There are currently limited low and zero emission vehicles available which are suitable to replace the Northern Territory's fleet of diesel 4WDs;
- A FES that increases the costs, or limits the availability of vehicles necessary for accessing remote communities, would disproportionately affect Aboriginal communities and undermine goals to close the gap on Indigenous disadvantage;
- A FES will need to minimise disruptions to fuel markets which could potentially lead to higher prices for those needing 4WD vehicles for accessing remote communities; and
- Given the objectives of a FES will be achieved in part by increasing the fleet of EVs, accessibility to EV charging facilities, including in regional and remote areas, needs to be considered.

The New Vehicle Emissions Standard (NEVS) Impact Assessment indicates that in general, the NVES will not disadvantage people living in, or servicing remote areas

and will potentially benefit people in remote areas more than others, because those who travel further will save the most on fuel costs. Although reduced fuel costs will benefit regional and remote communities, this benefit depends on the availability and practicality of appropriate vehicles.

While a key guiding principle for the NVES is based on equity for all groups of people and parts of Australia, it does not appear to be in the context of ensuring there is no disadvantage to people living in, or servicing remote areas. For many living in and servicing remote Australia, use of a 4WD vehicle is a necessity not a choice and appropriate fuel efficient vehicle options are unlikely to be available in the short to medium term.

The Impact Assessment proposes exclusions for a range of vehicles including heavy vehicles, vehicles for military, law enforcement and emergency services use, agricultural, construction or mining equipment, motorhomes, horse trucks and motorcycles. A further exemption, for vehicles either registered or operating in remote areas, would assist to ameliorate the potential negative consequences of the NVES on regional and remote communities in the short to medium term, while ensuring that the potential benefits of fuel efficient vehicles would still be available to these communities.

The Department would like to re-emphasise the issues raised by the Department in April 2023 regarding the potential impacts of the NVES in the Northern Territory, which don't appear to have been specifically addressed in the Impact Assessment.

It is recommended that impacts of the NEVS on regional and remote communities be fully explored in the development of the final Impact Assessment.