



Emission standards for cars

Julia Gillard and Labor
Let's move Australia forward



EMISSION STANDARDS FOR CARS

The Gillard Labor Government will cut emissions on our roads by introducing new mandatory carbon dioxide emission standards for all new light vehicles, including cars, from 2015.

This is part of the Gillard Labor Government's plan to make positive change to how we live, work and travel.

The 15 million light vehicles on Australian roads contribute more than 10 per cent of our nation's total greenhouse gas emissions.

Modelling undertaken indicates that the new standards could save 2.6 million tonnes of carbon dioxide annually.

Fuel consumption savings

Motorists will see considerable savings at the petrol station. Modelling suggests that Australia could be saving around 1.1 billion litres of fuel worth \$1.8 billion every year by 2024.

More fuel-efficient engine technology can be more expensive to make, but modelling demonstrates these potential costs are offset relatively quickly by fuel savings.

A typical motorist could save around \$600 a year on fuel costs, with any additional car costs paid off in less than two years.

How will the standards work?

Carbon dioxide emissions from motor vehicles are usually measured in grams of carbon dioxide emitted per kilometre (g/km).

According to the Federal Chamber of Automotive Industries, the national average for carbon dioxide emissions from new light vehicles in Australia in 2008 was 222 g/km.

New legislation will require all car companies to reduce emission levels from vehicles they sell in Australia by introducing better technologies and changing the fleet mix. The levels set will be determined in consultation with industry and stakeholders.

The mandatory standard will set a national fleet-wide target of average carbon dioxide emissions and each individual motor vehicle company will have to contribute to this target.

The four-year transition period will ensure the industry properly prepares and plans for the new standards. The Cleaner Car Rebate will be established to support this transition, so that Australia's light vehicle sector, which accounts for more than 10 per cent of Australia's total carbon footprint, can play its part in cutting carbon dioxide emissions.

How is this different to now?

Australia has had various forms of industry targets for fuel efficiency since 1978. Various targets, measured in percentage cuts or litres per 100km, have been set over different periods. For example, the 2000 target was 8.2 litres per 100 km.

These targets have been voluntary, and have not delivered the environmental outcomes sought, nor provided investment certainty for the Australian car industry. A national standard, set in legislation, will ensure the Australian car industry focuses on both fuel efficiency and carbon emission standards.

The new system will be based in legislation, and will set a national fleet-wide target for average carbon dioxide emissions. Individual motor vehicle companies must then meet targets set in the regulations, which will define their contribution to the national total.

When will the standards take effect?

Average mandatory emission standards of 190 g/km by 2015 and 155 g/km by 2024 would represent cuts of 14 per cent and 30 per cent on 2008 levels respectively. These targets will be the starting point for further consultation.

This will allow industry to plan vehicle production with certainty about the future direction of Australia's emissions targets.

Given that vehicle technology is developing rapidly to deliver more fuel-efficient and lower-emitting cars, progress against the targets will be monitored over time.

What types of cars will be affected?

All new four-wheeled light vehicles with a gross vehicle mass of 3.5 tonnes or less – passenger cars, sports utility vehicles and light commercial vehicles sold in Australia, whether they are imported or manufactured locally – will be included in the standards.

Electric vehicles are an important part of the new range of clean vehicles being developed by the global automotive industry. They promise environmental benefits when powered by renewable and low-emission sources of electricity.

The Australian Government will lead a work program to ensure Australia's energy markets are ready to support the potential large-scale adoption of electric vehicles and related technologies.

A Gillard Labor Government will, through the Ministerial Council on Energy, ask the Australian Energy Market Commission to identify and address potential barriers to the uptake of electric vehicles.

Issues for consideration will include:

- Metering requirements and protocols.
- Technical and safety standards for electric vehicle connections.
- Network protection.
- The adequacy of current network infrastructure.
- The potential implications for tariffs.

The Australian Energy Market Commission will report and make recommendations on these issues to the Ministerial Council on Energy.

THE COALITION'S RECORD

Tony Abbott does not accept that climate change is real.

- ✘ Tony Abbott has no plan to improve the fuel efficiency of cars.

If he is elected Prime Minister, Mr Abbott has already made clear that he would cut funding for renewable energy:

- ✘ Tony Abbott has promised to cut the Green Car Innovation Fund by \$270 million, putting at risk the production of new cars in Australia including the Toyota Hybrid Camry, Ford EcoBoost, and Holden Cruze.
- ✘ Tony Abbott is advocating a 'direct action' policy, under which emissions will actually increase. Estimates from the Department of Climate Change and Energy Efficiency show that under Mr Abbott's policy, emissions would increase by 13 per cent from 2000 levels.
- ✘ Under the former Coalition Government, Australia was part of the problem on climate change, not part of the solution.

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