

GOVERNMENT'S PREFERRED FUEL EFFICIENCY STANDARD TOO FAR TOO FAST

4 February 2024

The Australian Automotive Dealer Association notes the release of the Government's next consultation on a light vehicle fuel efficiency standard.

This impact statement is very technical and considers a number of options, but the Government has stated that it has a preferred option of reducing the emissions by more than 60 per cent for passenger vehicles and light commercial vehicles in just five years.

"On the surface this is an incredibly ambitious target which will be difficult to achieve especially for utes and large SUVs," said AADA CEO James Voortman.

"This could have consequences for affordability and vehicle choice," he said.

"Other countries have reduced new vehicle emissions over a much longer time frame, with credits built into their standards. They have also offered generous incentives universally available for consumers to buy low emissions vehicles – the Government's preferred option could not be more different," said Mr Voortman.

"We are concerned that this policy goes too far too fast and that consumers will be the big losers, as will the local automotive businesses," he said.

"We will study this impact statement to understand the findings and consult with our members, Australia's more than 3,000 new car Dealers."

ENDS.

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