

10 September 2015

Committee Secretary
Environment and Communications Legislation Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Secretary

Inquiry into the Motor Vehicle Standards (Cheaper Transport) Bill 2014 Climate Change Authority submission

The Climate Change Authority provides independent expert advice on Australian Government climate change mitigation initiatives. The Authority welcomes the opportunity to make a submission to the Inquiry into the Motor Vehicle Standards (Cheaper Transport) Bill 2014.

In 2014, the Authority examined the costs and benefits of carbon dioxide emissions standards for light vehicles in Australia (see <u>Attachment A</u> for full report). The Authority found that Australia has an opportunity to reduce greenhouse gas emissions and lower fuel bills for Australian motorists by making light vehicles more efficient, and that a mandatory light vehicle emissions standard is the best policy for realising this opportunity.

Mandatory vehicle emissions or fuel economy standards have been operating for at least a decade in the US, Japan and China, and standards have proved to be effective in delivering benefits to consumers as well as environmental gains.

In Australia, mandatory standards would complement existing arrangements in the transport sector. In the Authority's view, they represent a feasible and desirable addition to Australia's climate policy toolbox.

Further information on the Authority's analysis, including commissioned modelling from the CSIRO, is available at:

www.climatechangeauthority.gov.au/reviews/light-vehicle-emissions-standards-australia

Yours sincerely

Shayleen Thompson A/g Chief Executive Officer