



Prime Mover Magazine – TIC Article for December 2020 Issue

### **Time for action, not more talk.....**

The Australian federal government has a mandate to align with international regulations where ever practical, in particular European regulations. This is part of an overarching global harmonisation strategy that is aimed at reducing Australian specific laws and rules, enabling trade to be accomplished between our country and international markets. This is a two-way street, allowing products from Australia to be exported more efficiently and allowing us to import goods that have been developed to international regulations, rather than to Australian specific laws. The end result is the ability for our exporters to play on the world stage and more choice for Australian consumers. In the new vehicle space, this international harmonisation is achieved by a piece of regulation known as the United Nations Economic Commission for Europe Agreement for World Harmonisation of Vehicle Regulations - 1958, known within government and industry circles simply as “the ‘58 Agreement”, of which Australia has been a signatory since the year 2000. Under our ‘58 Agreement obligations, Australia adopts European safety and environmental vehicle regulations where appropriate and typically within two, to four years, after implementation in Europe. A notable exception to this practice is Australia’s non adoption of the Euro VI emission standard for heavy vehicles. This regulation came into effect from 2014 in Europe. Japan adopted this regulation in 2015, while the USA led the world, moving to an equivalent emission standard, US-EPA10, way back in 2010. Recent announcements by Mexico, China and India, will see these countries all adopt Euro VI, or equivalent standards, well before Australia, who is yet to set an introduction date.

In late October this year, the federal Department of Infrastructure, Transport, Regional Development and Communications released its Draft Regulation Impact Statement (RIS) for public information and comment, the first step in the process for the adoption of better exhaust emission standards. While it would appear that our regulators are finally moving on the issue of improving Australian air quality, all is not what it seems. For those with a long memory, this is the not the first attempt at implementing Euro VI that the Australian government has undertaken. Back in late 2015, the then Abbott government announced, with much fanfare, “a whole of government approach” to the introduction of new vehicle emission standards. A year later, in late 2016, a Draft RIS was released that outlined the benefits of moving to cleaner vehicles. Nothing eventuated from that process.

Over five years and three prime ministers' later, we find ourselves back at the start of the process, with the October 2020 RIS making an even more compelling case for cleaner heavy vehicle emission standards. As time has marched on since 2015/2016, so to has the body of evidence supporting cleaner vehicle emissions. The current Draft RIS details that 57 percent of particulate matter (PM) emissions from vehicles in Australia, come from heavy diesel engines. PM is a known contributor to asthma attacks and global medical studies directly link PM with increased risk of cancer in humans. The Draft RIS contains the results of a financial analysis by Bureau of Infrastructure and Transport Research Economics in Canberra, that found there would be a direct benefit of \$6,672 million by 2050 to the health and wellbeing of the Australian community if Euro VI was adopted. This would have an indirect benefit to governments by reducing pressure on the public health system. The majority of health benefits will accrue in metropolitan areas, where the number of people and average level of exposure to noxious emissions from road vehicles is greater. The Australian Bureau of Statistics estimates that 71 per cent of the population resides in major cities and another 18 per cent in inner regional areas, meaning that around 89 per cent of the Australian population would potentially benefit directly from improved air quality.

In 2015 the Truck Industry Council (TIC) strongly supported the introduction of Euro VI and alternative emission standards from Japan and the USA, for Australia. That TIC position has not wavered, we continue to call upon our regulators to introduce Euro VI and alternative standards, by 2023/2024 and not further delay the timing until 2027/2028, as is currently recommended in the latest Draft RIS. A copy of the Euro VI Draft RIS can be found at: <https://www.infrastructure.gov.au/vehicles/environment/forum/files/light-vehicle-emission-standards-for-cleaner-air.pdf> with submissions closing by the 26<sup>th</sup> February 2021. I urge industry to support the adoption of Euro VI, sooner rather than later, and in doing so, deliver health benefits for Australians. Now is the time for action, not more talk.....

Tony McMullan

CEO, Truck Industry Council