

AAA welcomes support for reducing road toll by lowering taxes on new cars

Australia's peak motoring body welcomes the comments made by the Deputy Prime Minister and Minister for Infrastructure and Transport, Barnaby Joyce, that the removal of tariffs on safer new vehicles is worthy of serious consideration.

With an average age of 10 years, Australia's passenger car fleet is old by global standards and the billions of dollars Australian motorists pay in tariffs and taxes to protect a non-existent car manufacturing industry are a major contributor to this.

Recent analysis of the 2015 vehicle fleet shows vehicles built before 2000 accounted for only 20% of the fleet, but were involved in 33% of fatalities. It also showed the rate of fatal crashes for pre-2000 vehicles was four times higher than that of the vehicles made post-2011.

AAA CEO Michael Bradley said: "Australia's car manufacturing industry has closed and the tariffs and taxes used to protect it over recent decades can no longer be justified.

"Tariffs and taxes will add \$5 billion to the price tag of new cars sold over the next four years and retard the fleet renewal needed if we are to make technologies such as Lane Keep Assist and Autonomous Emergency Braking commonplace.

"Rather than help Australian workers, this industry protection now hurts Australian motorists by driving up prices and locking them into older, more dangerous cars."

Recent AAA research found reducing the average age of Australia's vehicle fleet by one year would save more than 1,300 lives over the next 20 years. Further, it would yield a 5.4 per cent reduction in road crashes, deliver road trauma and emission reduction benefits worth \$19.7 billion over 20 years and directly save the government \$3.3 billion over the same period.

Mr Bradley said: "The road crashes and fatalities over the Christmas and New Year period are devastating for all the families, friends and communities involved.

"There is no silver bullet that can solve Australia's worsening road safety situation, but our research clearly indicates there are substantial benefits to be realised by initiatives to make newer, safer vehicles more affordable for Australians.

"We certainly welcome the comments from Deputy Prime Minister Joyce and stand ready to work through with him on the various policy measures needed to reduce Australia's shocking rate of road crash fatalities."

The AAA Pre-Budget Submission can be read here: <http://www.aaa.asn.au/storage/aaa-pre-budget-submission-2018-19.pdf>

The ECON report can be downloaded here: <http://www.aaa.asn.au/storage/aaa-econ-benefits-of-reducing-fleet-age-full-report-dec-2017.pdf>

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