

From: [REDACTED]
To: [Clean Cars](#)
Subject: Submission on clean car standards
Date: Tuesday, 20 August 2019 4:07:47 PM

To whom it may concern,

I would like to submit feedback on the Clean Car Standard and Clean Car Discount. In general, I am very supportive of creating and implementing a fuel efficiency standard. However, I'm not convinced that the proposal is the best way to tackle it.

There are three aspects to my feedback:

- The fringe benefit tax exemption
- Emissions from moped engines
- The current exemption for 20+ year old vehicles

FBT Exemption – Why only goods vehicles?

It's well-documented the majority of NZ-new vehicles are purchased by companies (rather than individuals). However, the fringe benefit tax (FBT) exemptions discourage the use of clean cars. To get the FBT exemption, companies opt for large, high-emitting vehicles that aren't necessarily necessary but are necessary for eligibility for the FBT exemption, evidenced by the #1 selling 'car' in NZ being the Ford Ranger closely followed by the Toyota Hilux, with the Mitsubishi Triton and Holden Colorado at positions 5 and 6 respectively. The use of clean vehicles should be encouraged rather than discouraged.

The FBT exemption doesn't apply to a vehicle that's principally designed for carrying passengers. This should be fixed. Any work towards a clean car standard should not be in isolation. Instead, it should be a holistic approach and should work with other legislation to wholly encourage the uptake of low-emissions vehicles.

1. One such way would be to *extend* the FBT exemption to vehicles that are principally designed for carrying passengers.
2. A second way would be to specifically *prohibit* the FBT exemption for vehicles exceeding the CO2 emissions of their 'band'.

Motorcycles and Mopeds – Why not performance-based instead of 50 cc?

It is not clear why the Clean Car Standard would not apply to motorcycles and mopeds. A shortcoming of the current vehicle classification system is that it discourages the uptake of lower-emitting vehicles. The current threshold between moped and motorcycle is 50 cc. To provide the power a rider desires from a 50 cc engine, manufacturers opt for 2-stroke engines because they offer a better power-to-displacement ratio than 4-stroke engines. If the threshold between mopeds and motorcycles were raised to 125 cc, we would see a natural progression from 2-stroke to 4-stroke engines. Further health benefits would be seen if there were a complete prohibition to 2-stroke engines.

The engine cylinder capacity limit of 50 cc seems like something being unnecessarily held onto from the past. A similar, but not related scenario is that we don't limit passenger car engines to certain sizes (eg 2,000 cc) and people can own the likes of a Ferrari or Lamborghini—the key point being that they cannot exceed the speed limits.

It's already legislated that mopeds have a speed limit of 50 km/h so there's little risk to safety in increasing the engine cylinder capacity to 125 cc. If anything, the risk to safety will decrease because the 4-stroke mopeds circulating will be emitting fewer emissions than their 2-stroke equivalents—which should be banned.

Gross emitters – Why are vehicles > 20 years of age allowed in unrestricted?

It astonishes me that, given the push for a safer, less-emitting fleet, our current rules allow dirty, 0-Star vehicles to enter the fleet in an almost entirely unrestricted manner. Once a vehicle is older than 20 years in age, it no longer has to meet emissions standards (or be in right hand drive or meet a frontal impact standard, or have stability control).

I can only assume that this hole exists to appease collectors and the like. However, whilst cars that are 20 years old are undoubtedly unsafe and dirty, they aren't necessarily collectible. The world has come a very long way in safety in the last 20 years—just search the internet for '1998 Toyota Corolla vs 2015 Toyota Corolla (Auris) - Crash Test' to see what ANCAP found. Unlike the obvious safety gains for the occupant, the public health gains in reduced emissions aren't as easily seen, but they are as real. The world has also come a long way in reliability and cars built 20 years ago still circulate in high numbers whilst those built 20 years prior to the rules being written wouldn't have been built so well. It's time to update the rules to keep up with the state of the industry.

All changes need to be taken with a holistic view. Fiddling with only one part is not enough. While you take the opportunity to change rules, I implore you to fix the glitch in respect of the unfettered flow of 20 year old vehicles entering the fleet.

In summary, thank you very much for considering my four points of feedback. Please feel free to contact me with any questions or comments.

Kind regards,

Jonathan Valois