

7 September 2017

Mr Rod Sims  
Chairman  
Australian Competition and Consumer Commission  
GPO Box 3131  
CANBERRA 2601 ACT

By email: [newcars@acc.gov.au](mailto:newcars@acc.gov.au)

Dear Mr Sims

**NTC submission to the ACCC's draft report on New Car Retailing Industry Market Study**

Thank you for the opportunity to provide a submission to the ACCC's new car retailing industry market study. This submission focuses on:

- Access to technical information for new cars
- Fuel consumption and emissions discrepancy.

Access to technical information for new cars - draft recommendation 4.1

I would like to provide further information to inform draft recommendation 4.1 – access to technical information for new cars. In our view, the emergence of automated vehicle technology is likely to result in an increased focus on manufacturers assuring the safety of automated driving systems. This will potentially increase the competitive and consumer risks you have identified, and I recommend that the ACCC has regard to automated vehicles in the final report. More discussion on this issue is provided in attachment 1.

Fuel consumption and emissions discrepancy - draft recommendation 6.2

This draft recommendation is about enhanced consumer information about fuel consumption. If there is a need to give consumers better information about real-world fuel consumption, then requiring manufacturers to measure real-world fuel consumption is a good way to do this. There are a range of options to measure real-world fuel consumption. The NTC proposes one potentially low-cost option to measure real-world fuel consumption in attachment 2 for your consideration.

About the NTC

The National Transport Commission (NTC) is an independent advisory body. We submit national land transport reform proposals to the Transport and Infrastructure Council.

The NTC contributes to the achievement of national reform priorities agreed by the Council. Our reforms are objectively assessed against the following policy objectives: improve transport productivity; improve environmental outcomes; support a safe transport system; and improve regulatory efficiency.

If your staff have any questions about this submission, please contact Dr Neil Wong on (03) 9236 5023 or by email at [nwong@ntc.gov.au](mailto:nwong@ntc.gov.au).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Paul Retter', with a stylized, cursive script.

**Paul Retter AM**  
Chief Executive and Commissioner

- Attachments:
1. Access to technical information for new cars
  2. A way to measure real-world fuel consumption for consumers

## **Attachment 1 - Access to technical information for new cars**

Vehicles with conditional or high levels of automation are expected to be released in the Australian market from 2021. The Transport and Infrastructure Council has therefore asked the NTC to develop an “end to end” regulatory regime designed to support the safe introduction of these increasingly automated vehicles. This will include a national performance-based safety assurance system (SAS), designed to ensure the safe operation of automated vehicles. The SAS will work in conjunction with existing Australian Design Rules and federal and state transport laws. We are aiming to implement this regime by 2020.<sup>1</sup>

The arrival of more automated vehicles could have competition impacts on independent repairers. The increasing difficulties for independent repairers to gain access to digital files and codes, and diagnostic tools, could become more acute. It is possible that vehicle manufacturers may seek to restrict access to vehicles to manage the safety risks of automated driving systems.

In vehicles with high levels of automation, the automated driving system will replace the human as the driver in certain circumstances. It is possible that, because of this responsibility, future regulation will increase safety responsibilities for automated driving system entities, such as manufacturers, for managing the safety risks of automated driving systems. Manufacturers may seek to limit the access of independent repairers to digital files and codes, and diagnostic tools to resolve problems that arise from the operation of the automated driving system. This could exacerbate the competition issues you have observed.

In late 2017 the NTC will commence a project to evaluate in what circumstances governments should be able to access data generated by connected or automated vehicles for regulatory purposes. This project will develop options to manage government access to automated vehicle data. We would welcome the ACCC’s view on these issues from a competition and consumer perspective.

As noted in the ACCC’s draft report, the complexity and the quantity of information required to repair and service new cars has dramatically increased in the last decade. As vehicles become increasingly connected and automated, the greater and more complex the information will become. As these new technologies emerge, questions about when the technology will come to market, how quickly it will be taken up by consumers and what new business models may emerge have yet to be clarified. These and other issues could have future impacts on market competition, particularly if current ownership and usage patterns also change.

---

<sup>1</sup>More information about the safety assurance system can be accessed at: <http://www.ntc.gov.au/current-projects/safety-assurance-system-for-automated-vehicles/?modelId=1064&topicId=1078>

## **Attachment 2 - A way to measure real-world fuel consumption for consumers**

One potentially low cost way of doing this is to require manufacturers to provide public information about real-world fuel consumption throughout a given period of time (say for 12 months) after a new model has been introduced to the market. The methodology used to measure real-world fuel consumption would be up to the manufacturer but it would have to be scientifically robust. This requirement could be developed into a performance-based standard.

A performance-based standard means the manufacturers can decide how they wish to measure real-world fuel consumption and can choose low cost ways of doing this. For example, some manufacturers may choose to measure this via telematics. Some manufacturers will be already able to do this through the systems built into their vehicles. Alternatively, telematics equipment can be fitted to vehicles for a period of time. Statistics Canada currently measures real-world fuel consumption of motor vehicles by fitting telematics equipment. There are also other ways manufacturers could choose to measure fuel consumption. Some may choose methods other than telematics such as downloading fuel consumption information from vehicles when they come in for servicing during the vehicle's first 12 months of operation.

The manufacturers could also be required to specify how frequently they will make the real-world fuel consumption information available throughout the 12-month period and where it will be publicly available (e.g. the manufacturer's website).

The NTC acknowledges that this option does not provide real-world fuel consumption information on day one when the new car is released to the market. However, this information gap will be filled throughout the 12-month period and will benefit subsequent consumers.

The NTC recognises there are some privacy concerns with this option. However, these concerns can be overcome by the manufacturers putting in place restrictions on how this information is to be used.