

Media Release

Wednesday 24 June 2015

RAC highlights the hidden costs of running a car

RAC's 2015 Vehicle Operating Costs survey has brought to light some of the lesser-known costs of owning a car in Western Australia, with depreciation and on-road charges being the major areas of expenditure.

RAC Manager Vehicles and Fuels, Alex Forrest, said a vehicle's purchase price and fuel efficiency are often the front of mind factors for consumers when deciding on a vehicle; however it is crucial that depreciation also be considered to provide a more complete picture of how much a car costs to own.

"Depreciation is a hidden expense new car buyers don't often consider, mainly because they don't feel its effects until it's time to sell," Mr Forrest said.

Depreciation remains the single biggest expense, comprising approximately 40 per cent of the overall cost of owning a car over five years.

"Of the 112 popular new cars surveyed, the cheapest to own and operate this year was the Suzuki Celerio, a small car which costs \$100.02 per week," Mr Forrest said.

"The Celerio really stood out with its drive away price of \$12,990, which brought flow-on savings with on-road costs such stamp duty and insurance."

At the other end of the scale was the Nissan Patrol ST-L, which costs \$456.00 per week thanks in part to its thirsty 5.5-litre petrol V8 and 2.8-tonne kerb weight.

The cheapest car to fuel was once again an electric vehicle and this year, it was the BMW i3, which cost just \$9.12 to power per week.

The cheapest conventionally-powered vehicle to fuel was the tiny Mitsubishi Mirage at \$18.39 per week, more than twice the cost of the BMW i3.

The cost of running a vehicle comes into particular focus this week with the launch of the RAC Electric Highway®, a network of eleven publicly accessible electric vehicle fast-charging stations will provide the opportunity for owners of electric vehicles to now travel between Perth and Augusta.

The survey also found that motorists are paying slightly less on average to own and operate their cars compared with last year.

Mr Forrest said the overall average cost of running a car went down by approximately \$2.00 to \$214.35 per week.

"Affecting the reduction were lower interest rates but also lower average fuel pricing, which we saw plummet between December 2014 and January 2015.

“Unfortunately, fuel prices have come sharply back up since then, and further increases in Government fees and taxes will likely offset savings made in other areas,” Mr Forrest said.

The RAC’s Vehicle Operating Costs survey helps shine a light on the full, real world costs of running a car in Western Australia. RAC also encourages motorists to check the ANCAP Star safety rating when purchasing a vehicle.

The full results of the 2015 RAC Vehicle Operating Costs survey and the criteria used can be found at rac.com.au/runningcosts.

Media contact: Kirsty Petrides 0402 781 742