

## FINANCIAL REVIEW

News

### Hybrids go middle of road

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Petrol may no longer be threatening to rise to \$1.50 a litre but the demand for hybrid cars remains strong, in part fuelled by the desire of governments and companies to keep up environmental appearances.

According to the Federal Chamber of Automotive Industries' VFACTS figures, non-private new car buyers - which includes the government sector - snapped up hybrid cars at nearly double the rate of the private sector in November.

For the year to date, hybrid car sales to the non-private sector have increased by 78 per cent, to 1511 cars.

Sales to the private sector rose by 89 per cent in year to date terms, to 1205 cars.

When it came to buying hybrids, the government was a major player, said the operations manager at Glass's Information Services, Chris D'Sousa.

"State and local governments want to be seen to be environmentally responsible, and that won't change," he said.

Mr D'Sousa said he expected hybrid car sales to continue to grow at a steady rate, but they would face competition from diesel models when it came to using cars for longer, rural driving conditions.

The two major hybrid models are the Toyota Prius and the Honda Civic Hybrid.

Representatives from both manufacturers said that sales remained strong as consumers added concern for the emissions produced by their cars to worries about fuel economy.

This is despite a recent drop in the price of petrol.

According to fuel monitoring website MotorMouth, the average national price of unleaded petrol was \$1.36 at the beginning of July.

By the start of December, this had dropped by nearly 20¢, to just \$1.17 a litre.

In terms of hybrid cars, consumers at the upper end of the market are catered for by the entry of luxury brand Lexus into the alternative fuel segment.

Lexus has two hybrid fuel models available in Australia. There's the Lexus GS 450h luxury sedan which retails for \$121,990, and the four-wheel-drive RX400h, which costs about \$94,100.

And the environmentally conscious executive can even hop aboard such a hybrid to travel between meetings.

In early December, **Ecolimo** set up shop in Melbourne offering a limousine service using the Lexus GS 450h.

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