

## Motoring Costs 2005

Choosing a car with the best mpg and lowest CO<sub>2</sub> emissions is the best way of reducing motoring costs, says an AA Motoring Trust report, *The Cost of Motoring 2005*, which shows that the expense of owning and running a car has risen by nearly twice the rate of inflation during the last year (2004/5). Petrol car costs rose by 6 per cent and those for diesel cars by 5.3 per cent.

The increases were due mainly to rising fuel prices and unusually high depreciation costs because of falling new-car prices.

"Motoring costs still make up a major and unavoidable element of most people's disposable income but it is possible to make significant savings by identifying all the costs and taking appropriate action." says AA Trust director, Bert Morris.

"Motorists tend to notice only costs that arrive as large annual bills, such as insurance, road tax and servicing. Yet, even when these costs are combined with tyres, breakdown cover, and the cost of capital (interest lost average 4.75 per cent by buying a car instead of banking the money), they amount to less than half the cost of fuel and depreciation, over an average 10,000 miles per year.

"If you want to cut motoring costs, the most important decision is the first one the kind of car you buy. There are, of course, many factors to consider when choosing a car. But if keeping costs down is your priority, it's a no-brainer: go for a 'greener', more economical car. Major savings can be made in fuel costs alone by buying the most economical car in your price range almost 600 a year on cars up to 10,000, and nearly 1,800 on cars between 20,000 and 30,000.

### Car price up to 10,000

Based on average fuel prices petrol 86 pence, diesel 90.1 pence  
Average mpg (official combined) 48.9  
Most economical model 68.9 mpg (41 per cent better than average)  
Least economical 32.8 mpg (33 per cent worse than average)  
Weekly saving 11.49 (best vs worst assuming 10,000 miles/year)  
Potential annual saving 597.48

### Car price 20,000 30,000

Average mpg (official combined) 34.2  
Most economical model 52.3 mpg, or 53 per cent better than average  
Least economical 15.3 mpg, or 55 per cent worse than average  
Weekly saving 34.08 (best vs worst assuming 10,000 miles/year)  
Potential annual saving 1,772.10

"Finally," says Morris, "while buying an economical car is a good first step, you will reap even greater cash benefits if you drive economically too."

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