STANDING COMMITTEE ON PLANNING, TRANSPORT, AND CITY SERVICES Ms Jo Clay MLA (Chair), Ms Suzanne Orr MLA (Deputy Chair), Mr Mark Parton MLA

Submission Cover Sheet

Inquiry into electric vehicle (EV) Adoption in the ACT

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FCAI Summary

ACT Legislative Assembly Standing Committee on Planning, Transport and City Services

In relation to

EV Vehicle Adoption in the ACT



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KEY POINTS

- The FCAI welcomes the opportunity to contribute to the Inquiry into EV Vehicle Adoption in the ACT.
- Government policy should focus on the goal of CO₂ emissions reduction rather than setting targets for EV sales by a specific date.
- A broad technology mix is currently available to drive the increasing penetration of ZLEV (Zero and Low Emission Vehicles) – highly efficient internal combustion engines through to advanced electric and future fuel cell vehicles.
- The FCAI has been an advocate for a Federally led fuel efficiency standard for several years.
- A national approach to emissions target setting for the automotive sector is the most desirable and effective means of driving changes in market behaviour and the availability of world's best technology into Australia.
- In the absence of a Federally led emissions reduction target, the FCAI introduced a Voluntary Emissions Standard in 2020. This standard sets a pathway for emissions reduction from new vehicles sold in Australia through to 2030. This standard is currently being reviewed.
- The significant lead time for the development and production of vehicles must be considered by Governments as they consider future regulation five to seven years for a passenger vehicle and seven to ten years for an SUV or Light Commercial.
- The FCAI has concerns with several actions within the ACT ZEV Strategy that relate to sales targets for EVs by 2030, phase out of internal combustion engines from 2035, stamp duty exemptions categories and grey imports. The availability of vehicles that meet the demands of the consumers, at a price they can afford, will be an important factor in the shift to EVs.
- Government can support the increasing penetration of ZLEV through:
 - o Setting appropriate and practical targets for emission reduction.
 - The development of appropriate recharging infrastructure public and private to support the journey towards zero vehicle emissions to cater for battery electric vehicles, including fuel cell.
 - Adopting ZLEV in Government and Corporate Fleets
 - o Effective integration with the energy network.
 - o Improvement in Australian fuel quality standards.
 - Non-financial incentives for example, access to transit lanes/toll exemption.
 - Direct customer incentives/grants.
- Parallel (or Grey) imports of zero emissions vehicles present a potential risk to safety, connectivity and amenity and should not be considered as a part of the strategy to reduce emissions. Issues include:
 - These vehicles are not supported by Original Equipment Manufacturers (OEMs) in Australia. This can create issues regarding the vehicle history, identification, parts and service. In short, the OEMs do not know the vehicle is in the country and therefore, they cannot provide ongoing support and service.
 - Grey imports are not always supported by the importers who bring them into Australia, creating similar issues around on-going support.
 - The batteries in these vehicles are commonly a different size/type from other EVs for sale in Australia. Once again, they are unsupported.
- An efficient Road User Charge (RUC) can present as an effective way to optimize ownership
 experience and provide some incentive for changing driver behavior, for example congestion
 charging. The RUC can replace the need for a range of current taxation and regulations (eg
 Luxury Car Tax, Stamp Duty etc)