

Media Release

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The only 'bad actors' in the electric vehicle transition will be those who put self-interest ahead of including all Australians on the journey

Today, the Motor Trades Association of Australia (MTAA) called on the Albanese Government to fast-track engagement with Australia's automotive industries to develop a national strategic plan for transitioning to zero and low emission vehicles and stop voices thick on rhetoric but thin on facts.

MTAA CEO Richard Dudley says the time for cheap pot shots and airing 'facts of convenience' is over. 'Rather than 'call out' organisations as 'bad actors' for providing Australian consumers hard facts, perhaps groups like the Electric Vehicle Council (EVC) and others can explain to Australian consumers and 70,000 automotive businesses employing more than 370,000 why industry facts are wrong', Dudley said.

'Two weeks ago, MTAA facilitated a historic summit of ten leading automotive industry associations to determine national positions as together we face mobility's most critical crossroad. Industries received and considered global international and domestic research and analysis, providing an unassailable picture of what is coming down the new EV vehicle pipeline for the next 10 to 15 years. Research and analysis not from one but several respected global independent sources which all essentially come to the same conclusions - the same conclusions industry agreed to,' Dudley said.

'Like a car with multiple moving parts and interdependent systems, a national strategic plan to transition our national car fleet dependency on Internal Combustion Engine (ICE) vehicles to Zero and Low Emission Vehicles (ZLEV) needs to be much more than simply slapping a target down for a number of electric vehicles to be sold by a specific time,' Dudley added.

MTAA firmly believes the national strategic ZLEV plan proposed by the Albanese Government is long overdue and critical to our future but must consider and align:

- Co2 emission reduction targets rather than EV sales targets
- Recognise Australian consumers' desire for at-home charging (79%) and the challenges this provides along with public charging infrastructure requirements and a national rollout plan.
- The people and skills required to still service, repair, and maintain both an electric and the legacy fleet
- Fuel quality and security.
- Properly targeted subsidies and incentives, and significantly, to not penalise Australians if they are forced to ensure mobility in an ICE or Hybrid car.
- Tariffs and taxation.

Dudley said groups such as the EVC, rather than clambering on soapboxes decrying the Federal Chamber of Automotive Industries (FCAI) voluntary CO2 target – should instead recognise the significance of 100% of the industry 100% supporting meaningful achievable and considered CO2. Rather than lamenting and, in some cases demonising other presented critical facts, tell Australians why they are not entitled to know or why any of the following is wrong and produce the evidence to support it:

- CO2 targets, incentives, and subsidies on their own will not achieve ZLEV market penetration improvements of the magnitude of some forecasts in the nominated timeframes.
- Australia is a right-hand drive market. Less than a third of global total vehicle production is for right-hand drive markets. The Australian market is significantly less than other prominent right-hand drive markets, including the UK, India, and Japan. It is not a foregone conclusion that an EV model available in larger right-hand markets will necessarily be exported to Australia.

- While Battery Electric Vehicles (BEV) will become prolific in left-hand drive markets, there is significantly less information on whether any right-hand drive variants will be produced and made available to the Australian market.
- 59% of vehicles sold in Australia are dual cab utilities or large SUVs, and a significant proportion of Australia's new vehicle stock is and will for the medium term continue to be sourced from Asia, including:
 - o Dual cab utility vehicles. Australian consumer's number 1 choice for almost seven years.
 - o In July 2022, single or dual cab utilities occupied four of the top 10 positions (1, 2, 8 & 9), with small and large Sports Utility Vehicles (SUVs) taking five positions. One passenger vehicle made it into the top 10 of all vehicles sold (position 6).
 - Should Australians not know that according to all available industry data, their number 1 vehicle type choice may not be available or even banned in some jurisdictions in 13 years? Is it right to spin utilities are being produced, and some will make it here when there are no facts to support the assertion?
- BEV offerings now, during the next 18 months, and over the next eight years are mostly high-value prestige vehicles with costs of more than \$50,000. Even though independent research says, 65% of consumers want an EV under \$50k.
- Global vehicle production is still recovering with ongoing supply chain delays, which are more pronounced for some EV brands and models. Add to this supply chain issues for rare earth minerals necessary for battery production.
- Are the announcements by the fourth largest global vehicle producer that battery supply will significantly impact the rollout of electric vehicles to be ignored?
- Are we not going to consider and integrate a plan for the skills and the people required to still service and repair not only a ZLEV fleet but a still large legacy fleet?
- Are we going to persist with a scattergun approach to incentives and emerging patchwork legislation regulation limited time offers for early adopters and free reign on user charging to make sure electric vehicles pay their way?

Dudley says it is in the government, industry, and stakeholders' hands to develop and implement a comprehensive all-inclusive plan that learns from international lessons and delivers on expectations while recognising our unique location, geography, market, and criticality, Australians' ongoing reliance on the car.

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