

BULLETIN

Industry Divisions



Reference No: EV-02-19

Date issued: 05/02/2019

VACC members are advised that the Senate Select Committee Inquiry, (the Inquiry) report into Electric Vehicles was released today. You can view the report by [taking this link](#). VACC supports the release of the report and looks forward to ongoing dialogue with the Government in the development of sensible policy regarding Electric Vehicles.

The report contains 17 recommendations aimed at accelerating Electric Vehicle uptake in the Australian community. VACC notes the following recommendations may have an impact on the automotive retail, service and repair industry:

- Recommendation 1, 6.18
- Recommendation 7, 6.34
- Recommendation 9, 6.39
- Recommendation 11, 6.47
- Recommendation 12, 6.48
- Recommendation 14, 6.55

What other areas does the report cover?

The report also reports on how industry and consumer can mitigate the risks when dealing with Electric Vehicles. The report also looks methods in supporting Australian industry to capitalise on opportunities presented by a large-scale transition to electric vehicles.

Has VACC been involved in the consultation process?

Yes, VACC entered [a submission](#) and was invited to attend a Public Hearing held in Melbourne on 10 August 2018.

VACC is heavily referenced throughout the report on some of the following issues:

Price parity and consumer uptake of Electric Vehicles

VACC's submission and representations to the Select Committee contended that consumer uptake for Electric Vehicles would escalate once the purchase price reaches parity with Internal Combustion Engine (ICE) vehicles. VACC Research contends that, based on current trends in battery pricing, consumers could expect price parity by 2025.

Recommendation 7 of the VACC submission (see extract below) is quite explicit in its view that Government policies should not be introduced to stimulate consumer uptake. This is unsustainable. There are examples of other industries failing once that Government support has ceased.

Extract:

VACC asserts that for most consumers, it is the price competitiveness of an electric vehicle that is the most important factor in the uptake and overall sustainability of the EV market. Government policies aimed at providing price support and other financial incentives to encourage EV purchases by consumers are viewed as potentially unsustainable and can distort the EV market.

Opportunities for manufacturing and the skilled workforce

VACC also quotes within the report as expressing a view that opportunities may exist for Australian industry stemming from a ready skilled workforce and the introduction of automated manufacturing techniques.

Upskill and training of automotive technicians

VACC is also mindful that the servicing sector would face competing pressures of less work for businesses whilst also fundamentally changing the types of skills required by technicians in the automotive repair sector.

VACC recommendation 6 (see below) addresses the issues of skills training and qualifications for automotive technicians.

VACC recommends the development of appropriate skill sets that encapsulate safety protocols and the effective de-powering of electric vehicles.

Extract:

VACC recommends the development of a new Certificate 3 level apprenticeship training qualification specifically for emerging electric vehicle technician job roles. This qualification should include appropriate theory and training in electrical and battery systems, diagnostics, programming and other core requirements pertaining to the service and repair of electric vehicles.

VACC will advise of any further issues regarding Electric Vehicles.

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VACC

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