

28 October 2022

National Electric Vehicle Strategy Consultation Secretariat
Department of Climate Change, Energy, the Environment and Water
GPO Box 3090
Canberra ACT 2601

Dear Consultation Secretariat,

National Electric Vehicle Strategy – response to consultation paper

The Municipal Association of Victoria (MAV) welcomes the opportunity to provide a response to the Commonwealth Government's *National Electric Vehicle Strategy Consultation Paper 2022*.

The MAV is the peak representative and advocacy body for Victoria's 79 councils. The MAV was formed in 1879 and the *Municipal Association Act 1907* appointed the MAV the official voice of local government in Victoria.

The MAV applauds the Commonwealth Government's commitment to developing a national strategy to increase the supply and uptake of electric vehicles (EVs), while providing investment support for EV infrastructure, particularly chargers. We strongly support the five goals of the strategy, particularly goals that seek to make EVs more affordable, reduce emissions and increase local manufacturing.

We recognise the need for all levels of government to align policy and investment to ensure widespread uptake of EVs as an important emissions reduction strategy, and provide certainty to communities and industry.

The MAV strongly supports the introduction of vehicle fuel efficiency standards. As noted in the discussion paper, Australia is a laggard in this regard and as a result we have become a dumping ground for high emissions / low efficiency vehicles. We also support the phase-out of ICE vehicles over the coming years. Eliminating carbon emissions and other pollutants from transport will improve the health and wellbeing of communities and support the transition to a net-zero economy.

As Australia's economy transitions to net-zero emissions through electrification and energy integration, EVs will have the potential to provide energy storage options for the home and the grid. With EVs being many times more energy efficient than internal combustion engine (ICE) vehicles, they will improve local and national energy security.



The transition to a net-zero emissions economy must be an urgent priority of government. The MAV is a strong advocate for climate change action. We recognize and support the critical role councils play in mitigation and adaptation responses. In May 2017, the MAV State Council resolved that:

- we are in a state of climate emergency that requires urgent action by all levels of government, including local councils
- human induced climate change stands in the first rank of threats to humans, civilization and other species
- it is still possible to restore a safe climate and prevent most of the anticipated long-term climate impacts – but only if societies across the world adopt an emergency mode of action that can enable the restructuring of the physical economy at the necessary scale and speed
- we (the MAV) have a particular role in assisting local governments in this regard.

A rapid transition to EVs presents huge environmental, economic and social benefits, especially if undertaken as part of a broader rethink of integrated transport planning. We ask that the Commonwealth not lose sight of the important need to encourage mode shift from private vehicles to public and active transport. Supporting mode shift to public and active transport delivers direct and indirect benefits for community connectedness, as well as personal and environmental health. Replacing ICE vehicles with EVs will not reduce traffic congestion nor prevent urban sprawl and disconnected communities. Investing in new EV infrastructure, from batteries to the expansion of chargers, must not come at the cost of public investment in public and active transport and urban planning strategies that foster socially and economically connected towns and cities.

Investment in on-street chargers and charging hubs for local residents presents a range of challenges for councils. This includes insurance risk, all-abilities access, availability of appropriate electricity infrastructure, as well as achieving cost recovery from the residents who use them. On-street EV charging facilities may not always be appropriate. As key managers of the public realm, councils must balance the needs of EV users and objections from the community to the re-purposing of on-street parking and footpaths, while prioritising other climate-friendly initiatives such as spaces for pedestrians, bike lanes and trees for urban cooling.

Local government supporting the transition to EVs

Increasing EV uptake is an opportunity for councils with their role as infrastructure providers, fleet managers and representatives of their local communities. Councils have an important role in fostering community acceptance and understanding of EVs. Victorian councils are actively influencing the uptake of EVs at the local level through a variety of initiatives, including:

- procuring EVs for council fleet to reduce emissions and running costs and help stimulate a local second-hand EV market
- providing and supporting public charging facilities
- trialling curb-side charging schemes
- requiring EV charging to be integrated into new homes, apartments and precincts through the planning process
- engaging with business and industry on the EV transition
- exploring the role that EVs can play in improving local amenity impacts associated with urban freight deliveries.

A key example of council leadership is the 'Charging the Regions' EV charger rollout¹. Twenty-three EV charging stations were installed across 13 central and western Victorian councils. Further, the Northern Metropolitan Partnership is preparing a *Community-Wide Electric Vehicle*

¹ Central Victorian Greenhouse Alliance (CVGA) 2022, 'Charging the Regions 2' available online at <https://www.cvga.org.au/charging-the-regions-2.html>

Transition Plan which focuses on public charging options. A second component includes a Zero-Emissions Fleet Transition. These projects demonstrate local government leadership and support for EV transition through addressing range anxiety, a deficit of charging infrastructure and EV procurement.

The MAV and councils have also advocated for the Victorian Government and public transport providers to transition their fleet to zero-emission vehicles. We similarly support Commonwealth efforts to transition its fleet to zero-emission vehicles.

As the uptake of EVs accelerates, so too will demand on charging infrastructure, particularly fast chargers. The role of government – local, state and federal - in the provision of public charging infrastructure is an important question and one that requires further scrutiny once EVs are more prevalent and charging stations become more commercially viable. Where market demand is weak, there is a role for government to incentivise infrastructure and foster partnerships between government and industry to ensure timely EV uptake through local innovation and business growth in the EV industry. Over time we will expect the private sector to increase investment in public chargers, including in rural or remote areas. The Commonwealth has an important role to play to provide a convenient and accessible national EV charging network, working in partnership with state and local governments.

Many councils are up to the challenge of providing innovative solutions to aid the uptake of EVs. However, rural and regional councils in particular will struggle to fund and resource the shift without support. Many councils do not have officers trained or experienced in EV technology and its implications. Those councils will look to other levels of government for assistance. Increasing workforce skills, training and education to aid the transition to EVs across the sector is required. Commonwealth leadership is essential to this.

Heavy vehicles and reducing freight emissions

With around 40% of vehicle emissions produced by heavy and light commercial vehicles, the MAV supports the adoption of improved fuel efficiency standards for this growing sector. Last-kilometre deliveries in urban areas are also a considerable opportunity for low and zero emissions vehicles with the take up of cleaner alternatives able to be incentivised by appropriate government policy.

The Commonwealth government is best placed to coordinate and communicate policy that will encourage freight operators to transition sooner to cleaner technology for freight movements and encourage lower emissions modes such as rail.

Road network funding

Victorian councils are responsible for 87 per cent of the state's road network – approximately 133,000 kilometres in total – with a critical role in managing and maintaining safe local networks and associated assets.

Councils and communities across Victoria need greater support from the State and Federal Government to deliver safe and well-maintained roads. This is particularly important as we continue with the EV transition.

Fuel-based taxes provide an important, yet declining contribution to road funding. This contribution will fall further as EV uptake increases. As EVs are much heavier than ICE vehicles, there will be increased pressure on roads with subsequent increased road damage and infrastructure impacts. This conundrum cannot be left to local government to solve.

A public debate needs to occur about the future of road funding given the expected decline in fuel excise and the need for a nationally consistent approach rather than each state and territory implementing their own system. A balanced/phased approach is needed to ensure the

EV industry has clear, consistent and supported market to encourage greater penetration of EVs - including commercial EV.

A national approach should not yet take the same path as the Victorian Government's low and zero emissions vehicle road user charge. We believe this is a policy at odds with other Victorian Government climate change objectives and was introduced too soon given the limited uptake of EVs in Victoria. There is a risk that the charge has reduced demand for ZEVs in Victoria. The charge disproportionately impacts regional EV drivers.

Increased pressure on council budgets due to rising inflation and construction costs are already having an impact on infrastructure maintenance and delivery. A national approach that includes more untied funding to flow directly to councils is critical to help to ensure local roads remain safe and fit for purpose, while supporting EVs and associated infrastructure.

We look forward to working constructively with the Commonwealth to support and fast-track the uptake of EVs for both domestic and commercial travel across Australia.

Should you have any queries about the above, please contact James McLean, Senior Policy Adviser – Natural and Built Environment at jmclean@mav.asn.au

Yours sincerely

A handwritten signature in blue ink, appearing to read 'J McLean', with a horizontal line underneath.

Executive Director, Policy and Advocacy