

CHOICE

Submission to the Department of Climate Change, Energy,
the Environment and Water

National Electric Vehicle Strategy

November 2022

About Us

CHOICE is the leading consumer advocacy group in Australia. CHOICE is independent, not-for-profit and member-funded. Our mission is simple: we work for fair, just and safe markets that meet the needs of Australian consumers. We do that through our independent testing, advocacy and journalism.

To find out more about CHOICE's work visit www.choice.com.au/campaigns

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INTRODUCTION

In Australia, many people depend on personal vehicles for day-to-day transport. It is essential that we get the market settings right for vehicles, including electric vehicles, so Australians are empowered to make purchasing decisions that match their needs.

CHOICE welcomes the Department of Climate Change, Energy, the Environment and Water (**‘the Department’**) consultation on the National Electric Vehicle Strategy (**‘National Strategy’**).

A coordinated National Strategy will ensure that the market for electric vehicles is working competitively and efficiently for all Australian consumers. It is important to get the market settings for electric vehicles correct at the outset to avoid consumer harm in the future. The uptake of electric vehicles in Australia has the potential to lower transport costs for households and assist with growing cost of living pressures. It will contribute to improved environmental and health outcomes. It is crucial that all Australians, including people on low incomes, can access these benefits and make purchasing decisions that suit their transport needs.

In October 2022, CHOICE asked over 13,500 CHOICE members and supporters about their attitudes towards electric vehicles, and what is needed to create an electric vehicle market that works for consumers. There is widespread community support for coordinated government action on electric vehicles. CHOICE found 84% of respondents said that the government should do more to make electric vehicles affordable and accessible for people.¹ Further, 69% said that they would consider an electric car for the next car they bought or leased.² Many consumers were optimistic about the potential economic, environmental and health benefits offered by the growth of the electric vehicle market. However, respondents also reported a clear frustration around the lack of availability and options, and are disappointed that Australia is lagging behind other international markets.³ People also expressed strong concerns about upfront costs, access and safety of electric vehicles.

An important first step in creating an equitable and accessible electric vehicle market is introducing mandatory fuel efficiency standards that bring Australia in line with comparable international markets. Australia’s lack of fuel efficiency standards makes us an unattractive market for international electric vehicle manufacturers, resulting in low supply for consumers. There is widespread community support for action on mandatory fuel efficiency standards, with 84% of respondents saying they are in favour of a national fuel efficiency standard.⁴

¹CHOICE, October 2022, Electric Vehicle Research, CHOICE asked 13,500 members and supporters

²CHOICE, October 2022, Electric Vehicle Research

³CHOICE, October 2022, Electric Vehicle Research

⁴CHOICE, October 2022, Electric Vehicle Research

The National Strategy must include targeted measures that improve the accessibility and affordability of electric vehicles and provide low-cost solutions for people on lower incomes. The market remains inaccessible for many consumers due to high prices, lack of availability and concerns regarding charging infrastructure. CHOICE's Electric Vehicle Research revealed a large gap in the number of consumers in favour of electric vehicles, and the number considering an electric vehicle, and the number of consumers who had actually recently purchased one⁵.

As more consumers purchase electric vehicles, the National Strategy must ensure that strong consumer protections and safety standards are in place and maintained. Members of the CHOICE community reported concerns about the safety of key electric vehicle components, including lithium batteries, and said that there was not enough information available for consumers to make an informed decision⁶. An electric vehicle market must empower consumers to choose the car that is right for them, and the Strategy needs to include the appropriate policies to achieve this.

The Australian Government is presented with an important opportunity to ensure the market settings and consumer protections are well-designed to help consumers make the right purchasing decisions as Australia transitions to a low-emissions future. It is essential that the voices of consumers are heard and prioritised in this national debate.

⁵CHOICE, October 2022, Electric Vehicle Research

⁶CHOICE, October 2022, Electric Vehicle Research

RECOMMENDATIONS

1. The Federal Government should introduce strong mandatory fuel-efficiency standards to create the right incentives for efficient cars to be made available to Australian consumers.
2. The National Electric Vehicle Strategy should have a coordinated approach to accessible and fair charging infrastructure for all Australians, particularly people in regional communities, people who rent, and people who live in apartments. This approach should consider measures that ensure maximum interoperability, which will result in a more robust charging network.
3. The National Electric Vehicle Strategy should consider measures that increase the supply of high-quality, second-hand electric vehicles for consumers. This includes measures that incentivise governments, businesses and community groups to introduce electric vehicle targets for fleet vehicles.
4. The National Electric Vehicle Strategy should consider what targeted financial assistance and incentives can be offered to make electric vehicles more affordable to people on low incomes who depend on vehicles for transport.
5. The National Electric Vehicle Strategy should consider options for providing consumers with independent information based on rigorous real-world testing of electric vehicle models in Australia.
6. The National Electric Vehicle Strategy should support strong safety standards and access to repairs for electric vehicle components.

The consumer experience of the electric vehicle market

In October 2022, CHOICE asked over 13,500 members and supporters about their experience with the electric vehicle market.⁷ This research revealed strong consumer interest in purchasing electric vehicles, with many motivated by environmental, economic and health factors. However, consumers reported a number of barriers to accessing the electric vehicle market, including high upfront costs and anxiety about charging stations. To be effective, the National Strategy must address the concerns of the community.

There is strong consumer interest in the electric vehicle market. CHOICE found that 69% of respondents would consider purchasing an electric vehicle for the next car they buy or lease⁸. However, there is a clear gap between this demand for electric vehicles and the purchasing decisions of consumers.⁹ Only 5.59% of respondents had purchased an electric vehicle in the past five years¹⁰. The National Strategy needs to ensure the market settings are correct to empower consumers to make purchasing decisions that meet their needs.

People value making environmentally-friendly decisions

People reported interest in purchasing an electric vehicle for the environmental benefits they can potentially offer¹¹. Many people said they wished to reduce their environmental impact and feel a responsibility to individually contribute to lower carbon emissions. People shared with CHOICE:

“I am dependent on a car because I live in a rural area with no public transport, and I would like to have one that is more environmentally friendly than the petrol driven one I have now.”

“I think the world at large has to make decisions that will sustain our planet for future generations.”

“I keep cars for a long time and this is very much the latest in technology so it makes sense from a longevity point of view and most importantly it’s the right choice for the environment.”

“It’s the way of the future. And for the environment. And my budget.”

⁷CHOICE, October 2022, Electric Vehicle Research

⁸CHOICE, October 2022, Electric Vehicle Research

⁹CHOICE, October 2022, Electric Vehicle Research

¹⁰CHOICE, October 2022, Electric Vehicle Research

¹¹CHOICE, October 2022, Electric Vehicle Research

However, people also expressed concern about the environmental impacts of electric vehicle battery production and disposal:

"The manufacture of electric vehicles, EV, is harmful to the environment as it requires the extraction of rare earth materials such as cobalt, manganese and nickel in countries that have poor working standards and rely on under age children for the work. The initial cost of an EV is high and the replacement of a lithium ion battery is also prohibitive to the average consumer."

"Lithium batteries will also need to be improved to extend battery life and storage. Disused and broken components of our race for green energy and hybrid and electric cars are just as damaging to the environment in the long term. Need to upcycle our recycling systems in Australia not dump in to landfill."

People value lowering their transport running costs

CHOICE members and supporters also reported a preference for purchasing electric vehicles to alleviate cost of living pressures.¹² Electric vehicles can offer decreased running costs and can decrease consumers' vulnerability to international petrol pricing volatility. People shared with CHOICE why purchasing an electric vehicle would likely ease their cost of living pressures:

"Petrol is extremely expensive now and I wish I'd bought a hybrid instead of the petrol car I bought in 2019. For the last few years I've been very keen to eventually have an electric car if I can afford it. I'm a retired 70 year old."

"Given the increases to the cost of living for families, we need to make sure that owning an electric car or other measures to combat climate change do not place unreasonable pressure on families. A one size fits all approach will not work for low income earners."

"Because I will be able to save money in the long term as petrol gets more expensive and as climate impacts become more severe than they are already."

People value the potential health benefit of electric vehicles

Consumers also reported they are motivated by the health benefits of purchasing an electric vehicle, including decreased noise and reduced particulate matter pollution.¹³ Respondents reported this would benefit all community members, not just those driving an electric vehicle:

¹²CHOICE, October 2022, Electric Vehicle Research

¹³CHOICE, October 2022, Electric Vehicle Research

“[There are] ...health benefits, including less air pollution and less noise pollution, causing less disease burden in the community. Lower cost of running the car, both fuel costs and maintenance costs. Easier to drive.”

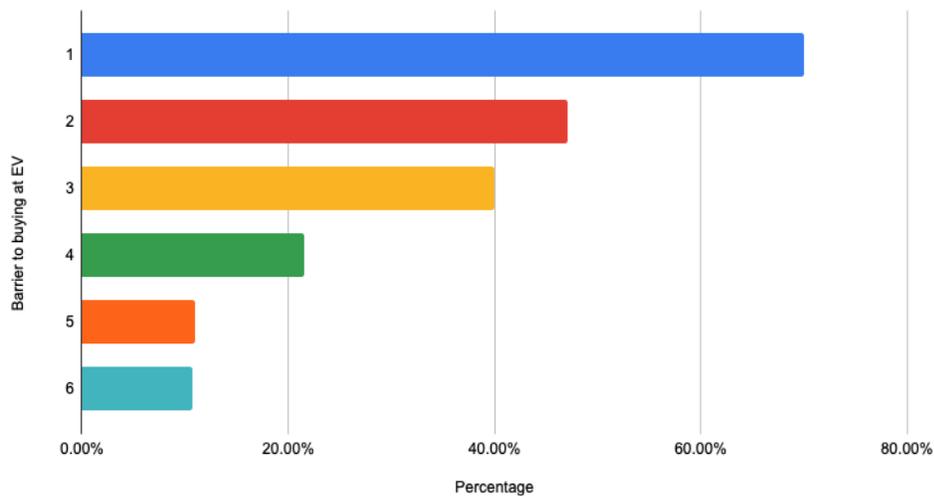
“[There would be] far less polluting (sic). (It is) easy to charge, quiet driving, and end our reliance on carbon fuels once and for all. With cleaner air we will be healthier I would imagine from a common sense point of view.”

“Electric cars reduce the PM2.5 particulate matter. When our grids are near 100% renewables and we get a few million BEVs on the road, the doctors and researchers will be reporting better health outcomes for the general population.”

Barriers to purchasing an electric vehicle

Consumers reported a number of barriers to purchasing an electric vehicle. The National Strategy must address these barriers and create a consumer-friendly market that empowers people to make decisions about vehicles that suit their needs.

Top barriers to buying an electric vehicle



- The upfront cost of an electric car is too expensive
- I am anxious about the distance between charging stations
- There aren't enough electric car makes and models to choose from
- I am unsure how replacements and/or repairs would work
- There aren't any available at the moment
- I plan to buy a second-hand car, and am unsure if electric options would be available

Figure 1. The top barriers to buying an electric vehicles, CHOICE Electric Vehicle Research, October 2022

Over 70% of people surveyed reported that the expensive upfront cost is a significant barrier for purchasing an electric vehicle.¹⁴ Many respondents were aware of the long-term financial benefits of owning an electric vehicle, but that they were unable to afford the initial cost¹⁵. There were also concerns shared about the cost of replacing electric vehicle batteries. Respondents shared with CHOICE:

“It’s going to cost a fortune to buy and run these electric vehicles. As a retiree on a fixed income, this will be out of my league.”

“I need to be able to afford an electric vehicle. I’m not in a financial position to afford the changeover.”

“Electric cars are very expensive and the battery is expensive to replace so I have heard. Most people can’t afford to buy a new car even second hand cars are expensive.”

“Petrol is expensive but I am aware that the cost of an electric car (German) will be very expensive and I know the waiting list for an electric vehicle is more than a year. I am hoping that if the Government provides more incentives for buyers and additional charging stations, that by the time I purchase an electric car, it will be a more attractive option.”

The second biggest concern for consumers was anxiety about charging infrastructure and technology. The CHOICE survey found 47% of respondents are concerned about the distance between charging stations.¹⁶ The National Strategy and the recently announced Driving the Nation Fund must address these concerns through greater coordination if an electric vehicle market is to be accessible to all consumers. Charging anxiety is of particular concern for CHOICE supporters and members who rent, live in regional communities, or live in apartment buildings¹⁷. Respondents shared with CHOICE their concerns around charging infrastructure:

“I purchased an EV 12 months ago on the promise of improved charging infrastructure, as I have no off-street parking. In that time, there has been little to no new infrastructure, and what is available is getting heavier use and frequently breaks down. Repairs to charging infrastructure is taking over 6 months. Waits to charge are often long, sometimes an hour or more. Long distance driving is very difficult, we easily add 50-80% more time to a trip simply for charging needs.”

“Major issue is the chargers being rolled out (including with state and fed funding) are frequently broken. Their availability, price and whether they are functional

¹⁴CHOICE, October 2022, Electric Vehicle Research

¹⁵CHOICE, October 2022, Electric Vehicle Research

¹⁶CHOICE, October 2022, Electric Vehicle Research

¹⁷CHOICE, October 2022, Electric Vehicle Research

should be publicly available in real-time through open-data, just like fuel prices are for petrol. Until this happens it is scary driving long distances because you don't know if the charger will work."

"There needs to be more national infrastructure for charging vehicles because that seems to be the biggest barrier that people cite (when I say I am waiting for my new electric car) as to why they won't buy an electric car. Some petrol stations are now installing charging stations so maybe the government could do some sort of deal where petrol stations get an incentive to install which would take the burden from the government."

CHOICE supporters and members also expressed that low-income Australians need to be included in any coordinated government electric vehicle strategy. The health, environmental, and economic benefits of electric vehicles need to be shared across the community. Respondents on low incomes reported concern about how they would ever purchase an electric vehicle. They shared with CHOICE:

"Second hand electric cars are going to be very important for all the people like me who are on low incomes. We need not only financial incentives but also confidence that when we need to replace the battery it will be affordable. If a battery lasts 8-12 years it will often be the second or third owner tasked with the responsibility of replacing it. At the moment it's so cost prohibitive that an 8 years old could well be unusable because Nissans replacement batteries are so expensive. I've seen quotes ranging between \$10,000 and \$35,000 online! Affordable reconditioned batteries are essential if these cars are going to be used in the longer term."

"Low income earners must have assistance to purchase an electric car. It is now as it has always been and that is low income earners are forced because of economic reasons to purchase low priced cars which are almost always are in a poor running condition. Fuel consumption is high and repairs are impossible to avoid so you have a cohort who through no fault of their own are forced to run cars that pollute and cost money."

"Make these cars more affordable to low income earners, and stop blaming us because we are forced to use fossil fuels with electricity in the home, gas, or petrol in our cars and home garden equipment. We should not be penalised."

Introduce mandatory fuel efficiency standards

CHOICE strongly supports the introduction of mandatory fuel efficiency standards. There is strong community support for action. 84% of respondents said they support a national fuel efficiency standard.¹⁸ Consumers reported frustration about Australia lagging behind in international best practice, many feeling Australians are missing out as a result.¹⁹ Consumers can only choose from vehicles available to them and currently many of these options are inefficient, expensive and drastically reduced compared to other markets. CHOICE received comments from consumers, including:

“Act immediately. Use EU/Europe’s standards as a framework. All of the work has been done. Hurry up.”

“Don’t make Australia the dumping ground for fuel guzzling, polluting vehicles.”

Australia’s lack of fuel efficiency standards discourage manufacturers from importing a broad range of electric vehicles. Currently, manufacturers which sell electric vehicles in Australia are diverting cars from faster-growing markets that have clear rules and incentives.²⁰ Major manufacturers such as Volkswagen point to the absence of fuel efficiency and CO2 standards as one of the main reasons for issues with electric vehicle supply in Australia.²¹ Some countries also penalise manufacturers that sell petrol and diesel vehicles, but allow companies to offset the penalty by selling an electric vehicle²⁰. Manufacturers therefore often prioritise selling electric vehicles in a market that has the benefit of offsetting the penalty.

Strong mandatory standards would result in a more efficient and competitive market for cars in Australia. Currently, options for electric vehicles in Australia are extremely limited with models of vehicles offered in Australia often less efficient than comparable vehicles in other markets. One survey respondent said:

“We don’t even have a full range of hybrids to choose from compared to overseas. The Toyota Prius (our current 17-year-old car) has been withdrawn from the market, despite there being a waitlist for a new Prius.”²²

¹⁸CHOICE, October 2022, Electric Vehicle Research

¹⁹CHOICE, October 2022, Electric Vehicle Research

²⁰CO2 standards need to match Europe, US and should be linked to EV incentives: EV Council, <https://evcentral.com.au/co2-standards-need-to-match-europe-us-and-should-be-linked-to-ev-incentives-ev-council/>

²¹The Driven, 2022 ‘VW: If we had fuel standards today, we could bring in electric cars tomorrow,’ <https://thedriven.io/2022/08/19/vw-if-we-had-fuel-standards-today-we-could-bring-in-electric-cars-tomorrow/>

²²CHOICE, October 2022, Electric Vehicle Research

The National Strategy should also put measures in place that protect Australian consumers from badly performing and inefficient electric vehicles (as well as internal combustion engine vehicles).

In a March 2016 nationally representative CHOICE survey, 89% of consumers said the fuel efficiency rating of a new car is important when deciding which model of car they will purchase.²³ Vehicle emissions are not only important to those who wish to make environmentally conscious purchases, but more broadly because more efficient cars are cheaper to run. In light of the current cost of living crisis, Australians should have access to measures that make living their day-to-day lives more affordable. As one respondent from the CHOICE October 2022 supporter survey said:

“My next car will be my final car as I will retire. I would like to utilise my solar energy to charge my car to reduce my cost of living and dependency on government handouts. And of course an electric car is better for the environment.”²⁴

Fuel costs consistently rank as the highest cost-of-living concerns for Australian households as measured in CHOICE’s nationally representative Consumer Pulse survey, behind electricity and food and groceries.²⁵ As recent trends show, fuel prices are extremely volatile, and are to a large degree dictated by international factors beyond the control of individual consumers or local retailers. This sense of powerlessness is a factor in heightening consumer concern, as it is with other essential services. Car owners could have saved a potential \$1.3 billion between 2016 and 2018 had internationally-equivalent fuel emissions standards been introduced.²⁶

Recommendation 1

The Federal Government should introduce strong mandatory fuel-efficiency standards to create the right incentives for efficient cars to be made available to Australian consumers.

²³ CHOICE, March 2016, Consumer Pulse Survey, n=1062

²⁴ CHOICE, October 2022, Electric Vehicle Research

²⁵ CHOICE, (2022), Consumer Pulse: Australians’ attitudes to cost of living 2022

²⁶ Smit, R. Whitehead, J. and Surawski, N. 2022, The Conversation, ‘Australians could have saved over \$1 billion in fuel if car emissions standards were introduced 3 years ago’, <https://theconversation.com/australians-could-have-saved-over-1-billion-in-fuel-if-car-emissions-standards-were-introduced-3-years-ago-117190>

Adopt measures that will improve the accessibility and affordability of electric vehicles

CHOICE supports measures that improve the affordability and accessibility of electric cars. High upfront costs, lack of coordinated charging infrastructure and lack of clear consumer information have made the market inaccessible for many Australian consumers. The National Strategy should consider measures that improve affordability and accessibility, especially for Australians on low incomes.

Coordinated charging infrastructure strategy

CHOICE supports a coordinated national strategy and approach to charging infrastructure in Australia. Concerns about charging is the second most commonly selected barrier to purchasing an electric vehicle.²⁷ In particular, respondents living in rural and regional communities report getting stuck without a charge point as a significant concern. CHOICE supporters and members shared:

“The available charging stations are limited. The time taken to charge extends travel time between long distances”

“Living in a rural situation, there is not a charging station anywhere near me.”²⁸

The National Strategy must address the charging infrastructure issues faced by consumers living in apartments, those renting and those in low-income households. For some consumers, retrofitting existing buildings with charging infrastructure could offer a solution, but this will not be possible in all cases. Sufficient public charge points are also needed to service consumers who cannot charge at home. Policymakers should consider measures that will incorporate charging points into new apartment buildings. Until this issue is addressed, range anxiety and access to adequate charging points will continue to be high barriers to purchasing an electric vehicle for many consumers. However, there is some indication that range anxiety drastically decreases once a consumer purchases an electric vehicle.²⁹ The main focus should therefore be on a user’s pre-purchase journey and what can be done to mitigate anxieties during this time.

Interoperability is also a key issue for consumers and will affect the charging network. While many electric vehicle models come with a standard plug, some do not. As the market is new

²⁷CHOICE, October 2022, Electric Vehicle Research

²⁸CHOICE, October 2022, Electric Vehicle Research

²⁹Survey: Owning an electric car will cure range anxiety, other concerns about EVs

https://www.greencarreports.com/news/1126873_survey-owning-an-electric-car-will-cure-range-anxiety-other-concerns-about-evs

and rapidly evolving, there is no guarantee that manufacturers will adhere to a standard plug and corresponding charger that works with multiple models. Although Type 2 and CCS2 have become the accepted connection types for electric vehicles in Australia, other connection types remain common³⁰. Tesla superchargers (and some Tesla destination chargers) remain inaccessible to non-Tesla EVs, though this is expected to change in future³¹. A lack of interoperability contributes to range anxiety and means that not all consumers can benefit from current and planned charging infrastructure. Policymakers should put measures in place now to ensure maximum interoperability which will help decrease range anxiety and result in a more robust charging network.

Addressing the high upfront cost of electric vehicles

Consumers report affordability as the highest barrier to purchasing an electric vehicle in Australia.³² Many consumers reported to CHOICE that new electric vehicles were out of their budget and that they relied on buying second-hand cars. Respondents shared:

“It’s the future. It would have to be affordable because I am a retired teacher who normally buys secondhand cars.”

“We’re older people, rural. I’m still working (age 75) but the cost of a new electric vehicle would wipe out the majority of my super - not an option. We would love to go electric, but until there are many secondhand ones available at reasonable prices, it’s just not possible.”

“Because they’re where we’re going to have to go, however they’re also wildly out of my budget. Maybe when they start hitting the secondhand market in greater numbers that might change.”

CHOICE supports measures that will increase the supply of second-hand electric vehicles. As a starting point, CHOICE welcomes the Federal Government’s target of 75% of new purchased and leased vehicles in the Commonwealth fleet being electric vehicles by 2025.³³ CHOICE supports a coordinated approach that incentivises local and state governments, businesses and community groups to introduce similar targets which will also help expand the second-hand market. An increase in electric vehicles in the Commonwealth fleet, alongside other governmental and business fleets, will see more electric vehicles flow onto the second-hand market. Fleet electric vehicles will also create a need for more charging and repair infrastructure which, if made available, will also benefit consumers. Importantly, any measures that increase

³⁰ Charging an Electric Vehicle <https://www.transport.nsw.gov.au/projects/electric-vehicles/charging-an-electric-vehicle>

³¹ Non-Tesla Supercharger Pilot https://www.tesla.com/en_AU/support/non-tesla-supercharging

³² CHOICE, October 2022, Electric Vehicle Research

³³ National Electric Vehicle Strategy Consultation paper <https://consult.dcccew.gov.au/national-electric-vehicle-strategy>

the supply of second-hand electric vehicles should not compromise existing consumer protections or consumer safety.

Improve accessibility of electric vehicles for low-income Australians

The National Strategy should also consider what financial assistance and incentives can be offered to low-income households to make purchasing an electric vehicle more affordable. Australians on low incomes should not have to bear the cost of increased climate emergencies or pay for expensive and inefficient fuel-emitting vehicles.

Australian academics have found that incentives to purchase electric vehicles, such as no-interest loans and stamp duty exemptions, “didn’t make much difference” to the purchasing decisions of high-income households.³⁴ This is because high-income households already have the financial means to purchase an electric vehicle if they choose to. The research found that incentives had the biggest positive impact on the second-bottom quintile of Australian household incomes³⁵.

CHOICE recommends that the Strategy include means-tested and targeted incentives to make electric vehicles more affordable to people on low incomes who depend on vehicles for transport. Any proposed measure needs to be empirically tested to ensure the benefits flow to low-income households.

Recommendations 2 - 4

The National Electric Vehicle Strategy should have a coordinated approach to accessible and fair charging infrastructure for all Australians, particularly people in regional communities, people who rent, and people who live in apartments. This approach should consider measures that ensure maximum interoperability which will result in a more robust charging network.

The National Electric Vehicle Strategy should consider measures that increase the supply of high-quality, second-hand electric vehicles for consumers. This includes measures that incentivise governments, businesses and community groups to introduce electric vehicle targets for fleet vehicles.

The National Electric Vehicle Strategy should consider what targeted financial assistance and incentives can be offered to make electric vehicles more affordable to people on low incomes who depend on vehicles for transport.

³⁴What would it take to get Australians to buy electric cars? Canberra provides a guide <https://theconversation.com/what-would-it-take-to-get-australians-to-buy-electric-cars-canberra-provides-a-guide-178778>

³⁵ *ibid.*

Maintain strong consumer protections and repair rights

CHOICE supports a strong consumer protection framework for all vehicles in Australia. The Australian Competition and Consumer Commission ('**ACCC**') reported that consumer guarantee issues with vehicles rank as the number one complaint to the regulator.³⁶ CHOICE anticipates that the number of complaints about electric vehicles will likely increase in the coming years as more consumers enter the market. It is imperative that protections are fit-for-purpose to ensure that consumers can exercise their consumer rights.

Consumers are already having issues exercising their consumer rights with repairs of electric vehicles. Some report they struggle to find parts, to find a qualified repair shop and often experience long wait times with repairs and maintenance.³⁷ CHOICE survey respondents shared:

"[I'm] currently having difficulty obtaining [a] replacement battery for [a] second generation Prius."

"We purchased an Ioniq 5. It was involved in a minor accident but has been off road for 2 months waiting for parts. We are told they won't arrive before December. Hyundai Australia don't appear to give a damn but are clearly in breach of their obligations to have reasonable repair facilities and parts available before selling into the Australian market. I will now caution everyone I know to avoid getting ahead of the pack."

The loss of a car, especially in regional and remote areas, significantly impacts a household's livelihood. It is essential that the ACCC has appropriate resources and capabilities to enforce consumer protections in the electric vehicle market.

³⁶Australian Consumer and Competition Commission, 2022, ACCC's enforcement and compliance policy update 2022-23, <https://www.accc.gov.au/speech/acccs-enforcement-and-compliance-policy-update-2022-23>

³⁷Missing parts, long waits, and a dead mouse: The perils of getting a Tesla fixed, <https://www.vox.com/recode/23318725/tesla-repair-mechanic-delay-electric-vehicles-ev>

Consumers need independent and accessible information about electric vehicles

There is currently a lack of independent and trustworthy information available to Australian consumers about the performance and reliability of electric vehicles. Information provided by industry on electric vehicles is often complicated and difficult to verify. Much of the available performance data is only provided by manufacturers, where vehicles are tested under optimal driving conditions, rather than real-world consumer circumstances. This can make it difficult for consumers to make important purchasing decisions and understand what car best suits their needs.

CHOICE supports the introduction of independent and rigorous testing of electric vehicle models in Australia (this information could potentially be hosted in the Green Vehicle Guide³⁸). This could be modelled on the European Electric Vehicle Database (**the ‘Database’**). This Database is independently run and undertakes real world testing of electric models, including testing under different temperature and road conditions. This is essential in Australia as consumers may be driving long distances in regional areas.

People shared with CHOICE about the issues of lack of reliable information about electric vehicles:³⁹

“It would help if there was some independent information on the reliability of electric vehicles - what is the experience of consumers so far.”

“I am either underwhelmed or overwhelmed by the whole issue as to how good they are as a car and how and where to get repairs. I think that the government needs to do more to inform people about them, as there isn't enough information out there. I am totally for them in the reduction of emissions but need better information about the cars.”

Consumers need clear and accessible information on what electric vehicles are available, as well as easy to understand information about the incentives and subsidies on offer. This information would empower consumers to make choices that work best for them.

In 2022, CHOICE developed an online tool to address this issue utilising manufacturer environmental performance and fuel consumption data from the Australian Government’s Green Vehicle Guide. The Electric Vehicle Quick Start Guide allows consumers to compare the running

³⁸Green Vehicle Guide <https://www.greenvehicleguide.gov.au/>

³⁹CHOICE, October 2022, Electric Vehicle Research

costs, driving range and charging of electric vehicles, compared to hybrid and petrol cars.⁴⁰ The product research and development of this tool revealed that running costs and access to charging points were important factors for consumers. Despite this, consumers said they found it difficult to access independent information on these issues. An independent database would empower consumers to make decisions that best match their needs.

Improve repair rights for electric vehicles

It is important that the National Strategy ensures there are strong repair rights for people who own electric vehicles. The Australian community expects electric vehicles to be reliable and easy to fix.

Consumers should not face long wait times when they need their electric vehicle repaired. People shared with CHOICE that the National Strategy should:

"Provide adequate facilities to train mechanics and electrical technicians to be able to maintain and repair electric vehicles."⁴¹

"What is the strategy to upskill the motor trade workforce Australia wide - I do a lot of rural and remote travel and would hope there will [be] repairers in major rural centres at least."

CHOICE supports the reform that prohibits manufacturers from withholding critical repair information and diagnostic equipment on the basis of intellectual property. This reform for automotive vehicles, including electric vehicles in Australia is protected under the *Motor Vehicle Service and Repair Information Sharing Scheme Bill 2021*. Stronger repair rights will also improve access and uptake of the second-hand market for electric vehicles. Repairing faulty electric vehicles, rather than relying on costly replacements will ensure the longevity of a greater number of vehicles. This will expand the second-hand market and provide consumers with more options.

The National Strategy should also include strong safety standards for electric vehicles and other key components to protect consumers. Survey respondents also expressed concerns about electric vehicle batteries and safety.

"I worry about the news of the batteries catching fire, both here and overseas."

⁴⁰CHOICE EV Quick Start Guide
https://choice.com.au/electric-vehicle-guide#/?utm_source=et&utm_medium=pdf&utm_campaign=EVreport

⁴¹CHOICE, October 2022, Electric Vehicle Research

“I am also concerned about battery safety (fire potential) and cost to replace when needed”.⁴²

Consumers must be protected from bad products at a national level to ensure that the burden of determining a good product from a bad one does not fall to the individual consumer. Therefore, standards around electric vehicle safety are still critically important.

Recommendations 5 - 6

The National Electric Vehicle Strategy should consider options for providing consumers with independent information based on rigorous real-world testing of electric vehicle models in Australia.

The National Electric Vehicle Strategy should support strong safety standards and access to repairs for electric vehicle components.

⁴²CHOICE, October 2022, Electric Vehicle Research