

**Senate Economics Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Department of Climate Change, Energy, the Environment and Water  
Inquiry into Treasury Laws Amendment (Electric Car Discount) Bill 2022 [Provisions]  
25 August 2022

---

**AGENCY/DEPARTMENT:** DEPARTMENT OF CLIMATE CHANGE, ENERGY, THE ENVIRONMENT AND WATER

**TOPIC:** QoN 5 - Electric Vehicles

**REFERENCE:** Question on Notice (Written, Senator Bragg)

**QUESTION No.: 5**

1. Could the Department explain the current obstacles to EV uptake – what role do range anxiety and EV infrastructure pay as opposed to sticker cost?
2. What is the current status of EV infrastructure like in regional Australia and suburban Australia?
3. What impact will this policy have on EV supply?
4. Please answer each question.
  1. How many state schemes already reduce EV prices?
  2. What is the policy case to have overlapping discount schemes?
5. What are the biggest impediments to the automotive sector offering more EVs for sale at their dealerships?

**ANSWER**

1. Key barriers to EV uptake are affordability, accessibility and availability. EV sales are continuing to rise, and the demand for EVs is currently higher than supply, which could suggest range anxiety is becoming less of a barrier.

The majority of EV charging happens at home and it is important to also have public charging available to give consumers confidence they will be able to charge when and where they need. The Government is doubling the Commonwealth's investment to support EVs, including increasing the number of EV chargers through the \$500 million Driving the Nation Fund.

The Government will release a consultation paper in September to inform the development of Australia's first National Electric Vehicle Strategy. The Government has said the Strategy will include consideration of further measures to increase electric car sales and infrastructure.

2. Beyond major roads, the data on location and number of EV infrastructure is insufficient to provide an accurate answer.

In the last four years, analysis by the Electric Vehicle Council has shown there has been a 230 per cent increase in EV chargers on our roads, and a 320 per cent increase in public fast chargers. The first investment under the Driving the Nation Fund will be \$39.3 million (matched by the NRMA) to deliver collectively 117 fast charging stations on regional and remote highways across Australia. A future focus area of the Fund, to be delivered by the Australian Renewable Energy Agency, will be funding for public EV charging infrastructure.

3. The Department of Climate Change, Energy, the Environment and Water (DCCEEW) has not assessed the impact of the Electric Car Discount policy on EV supply.

The Electric Car Discount is one of a range of policy measures to encourage supply of EVs to Australia. These include the National Electric Vehicle Strategy, which will help coordinate EV actions by all levels of government and includes consideration of fuel efficiency standards to level the playing field for EV supply.

As part of the Strategy the government is also providing support for EV component manufacturing (and potentially the vehicles themselves) and facilitating battery supply through the Australian Made Battery Plan.

4. All states and territories have schemes that reduce the upfront cost of EVs – through subsidies and tax exemptions. The state and territory schemes operate in different ways, and many apply criteria to be eligible (such as low income households).

The Electric Car Discount is available for all Australians and is a complementary measure to state and territory policies. The more affordable the vehicles the more likely people are to buy them.

5. Manufacturers have said they will not supply popular EV models to the Australian market in bulk including because they need to push them into markets with fuel efficiency standards, to avoid paying penalties if they don't meet their overseas targets.