
OFFICIAL

[REDACTED]
Sent: Tuesday, March 5, 2024 7:57 PM
To: Committee, CCEEW (REPS) <CCEEW@aph.gov.au>
Subject: submission: Inquiry into the transition to electric vehicles

To the committee,

I had considered the insurability and durability of EVs to be relevant to the inquiry. I compare typical common damage scenarios -such as scraping the car by going over a speed bump too quickly or a pothole- involving internal combustion engine vehicles that have a floor pan that is an easily repairable sheet of aluminium or steel while EVs lack resilience to minor damage to the undercarriage due to the batteries being installed under the floor of the vehicle rendering them to be considered a serious fire hazard. I included a reputable reference to support this claim. under the terms of reference:

the establishment of resources, **systems** and infrastructure **required to support transition to EVs.** and;

the opportunities for fuel savings, such as by combining EVs with other consumer energy technologies and **savings for outer suburban and regional motorists.** and;

any other relevant matters.

Business decisions have been made to manufacture easy to fail and impossible to repair battery packs. The more fragile a battery pack is, the cheaper the lot unit cost. Now the insurance adjusters raise the premiums on those vehicles so it seems like that's just a cost of ownership but that increased cost of ownership, repair and maintenance falls to the owners allowing the manufacturers to produce with a lower unit cost. Insurance adjusters want maintainable and repairable batteries.

There's no need to do anything drastic like ban the use of cells smaller than the volume of a 38120 in production vehicles. Dealerships will simply find themselves unable to sell insurance packages and just sell them As-is.

Back in the day a dent to the sump pan didn't totally root a car. Today, you put a little dent in the underbody or drive through some gravel and you'll want to be on the phone to your insurer to get that whole battery filled bash plate replaced. A pothole or accidentally riding up a curb might have once required an axle or a knuckle replacement costing a few hundred or cheaper from a wreckers is now half the price of the car. I think we've all seen a few abandoned sumps from lowered vehicles ripped off by speed bumps and that's not even a very expensive repair. Even if EVs were cheaper than comparable ICE cars, internationally insurance rates are substantially higher and pressure is coming to bear on EV companies.

The ACCC could do some reviews of common problems with EVs to support owners to push the cost of poor/substandard/unmerchantable manufacturing practices such as producing a vehicle where the condensate tube is installed so that it dribbles water into the battery pack and fuse holder.

When I was young I remember it was fairly common for young blokes to get comprehensive insurance on their skyline then just before it was due for renewal they would wrap it around a pole so they could buy a new car instead of paying to rebuild their pile of bent rods and worn piston rings. Basically at the moment when an EV battery starts to fail or it fails to live up to the hype it's fairly easy and much safer these days to commit insurance fraud by just scratching the battery pack and there isn't even a need to pay some kids to burn it out. There may need to be some intervention in the form of a fine on low mileage writeoffs to incentivize insurers to accelerate cooperation with manufacturers. Do not underestimate the fire accountants.

I then continued the persuasive essay to illustrate the role in which Australia can support global geopolitical stability due to our unique position as the only country -other than the P.R.C.- with considerable reserves of the many minerals required to manufacture EV battery components. From this angle It is not merely an opportunity but a moral obligation to establish EV battery manufacturing. under the terms of reference:

the establishment of resources, systems and infrastructure required to support transition to EVs

the impact of moving from internal combustion engine vehicles, including fuel excise loss, **existing auto industry component manufacturers** and the environment

the **opportunities for expanding EV battery manufacturing**, recycling, disposal and safety, and other **opportunities for Australia in the automotive value chain** to support the ongoing maintenance of EVs

any other relevant matters.

The most pronounced factor for the green industry revolution will be the geo-political reorientation caused by the decline of the United States of America. borrowing from ST/ESA/SER.A/161, "Indeed, the earliest man was a hunter and a gatherer who wandered from place to place in search of food; man continued to migrate in order to improve his lot in life even after establishing residence. People who had the misfortune of settling in desolate areas devoid of natural resources moved to seek a livelihood elsewhere." According to the Washington Post, the U.S.A. is a barren nation devoid of natural resources. There are a number of potential outcomes due to their resource scarcity. global geo-political destabilization is likely as multiple theatres are destabilized in a colonial resurgence to reduce commodity prices and gain preferential access to commodities. Alternatively Australian manufacturing could surpass US domestic manufacturing with US investment and a radical demographic shift could take place with the influx of skilled immigrants necessary for technology transfer. Without this investment it would be impossible for US manufacturers to remain competitive with the P.R.C. that can vertically integrate via the belt and road to the point of shipping iron ore and coal to a factory in Dearborn and pop out a car at the other end. Carbon Taxes will further strangle the gasping US economy that would need to import all the raw materials from the far reaches of the globe.

So the N.A.T.O. and other western countries can fund a gigafactory in western Melbourne and send all the needed resources by rail or coastal barge to it or let China monopolize the automobile and battery manufacturing industry.

Steckelberg , A., Dormido, H., Mellen, R., Rich, S., & Brown , C. (2023, April 27). The underbelly of electric vehicles. The underbelly of electric vehicles What goes into making EVs, where it comes from and at what human cost . <https://www.washingtonpost.com/world/interactive/2023/electric-car-batteries-geography/>

Carey, N., Lienert, P. and Mcfarlane, S. (2023) Insight: Scratched EV battery? Your insurer may have to junk the whole car. Available at: <https://www.reuters.com/business/autos-transportation/scratched-ev-battery-your-insurer-may-have-junk-whole-car-2023-03-20/> (Accessed: 05 March 2024).

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