

**INFRASTRUCTURE FOR ELECTRIC AND ALTERNATIVE ENERGY SOURCE
VEHICLES IN NSW**

Organisation: Australian Automotive Dealer Association (AADA)

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AUSTRALIAN
AUTOMOTIVE
DEALER
ASSOCIATION

INQUIRY INTO INFRASTRUCTURE FOR ELECTRIC AND ALTERNATIVE ENERGY SOURCE VEHICLES IN NSW

MAY 2025



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FOREWORD

The Australian Automotive Dealer Association (AADA) welcomes the opportunity to respond to the NSW Parliamentary Transport and Infrastructure Committee Inquiry into infrastructure for electric and alternative energy source vehicles in NSW.

The AADA represents 1187 new car and truck dealers in NSW, which range from family-owned small businesses to larger and publicly owned businesses. Franchised new car and truck dealers in NSW employ more than 20,000 people directly, with a total economic contribution of around \$6.1 billion. Each year, franchised new car dealers across Australia sell more than 1.6 million new and used vehicles, and complete over 44 million individual service, repair and maintenance jobs.

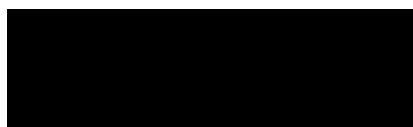
The transition to electric and lower emission vehicles is already well underway, with new electric vehicle sales in Australia reaching an all-time high in 2024. Recently, sales of EVs have been shaped by the arrival of new competitors in the EV segment particularly SUVs and utility models, and broader factors such as global trade conditions, tariffs and the implementation of the New Vehicle Emissions Standard (NVES).

However, as the new car market changes rapidly, electric vehicle (EV) uptake in Australia is still being hampered by high upfront costs relative to comparable internal combustion engine (ICE) vehicles, lack of consumer choice in the vehicles Australians want, lack of charging infrastructure and range anxiety, particularly in regional and rural areas.

To better understand consumer sentiment, the AADA has commissioned a [survey of consumers](#) on their new electric vehicle buying intentions. The findings show that among those respondents who indicated they were less likely to buy an EV, the most common reason for being unlikely to consider an electric vehicle remains a concern around them costing too much (55 per cent). However, the second key barrier to uptake was around charging infrastructure – 49 per cent said there's not enough charging stations/ infrastructure generally, while 44 per cent are concerned that they don't have the right setup at home to charge their vehicle.

In light of these concerns and as the primary point of consumer contact, franchised new car dealers must stay at the forefront of this transition to support consumers through this journey. This entails significant investments in equipment, training and charging infrastructure to ensure dealerships can continue to provide vital service and repair functions for their communities.

James Voortman
Chief Executive Officer

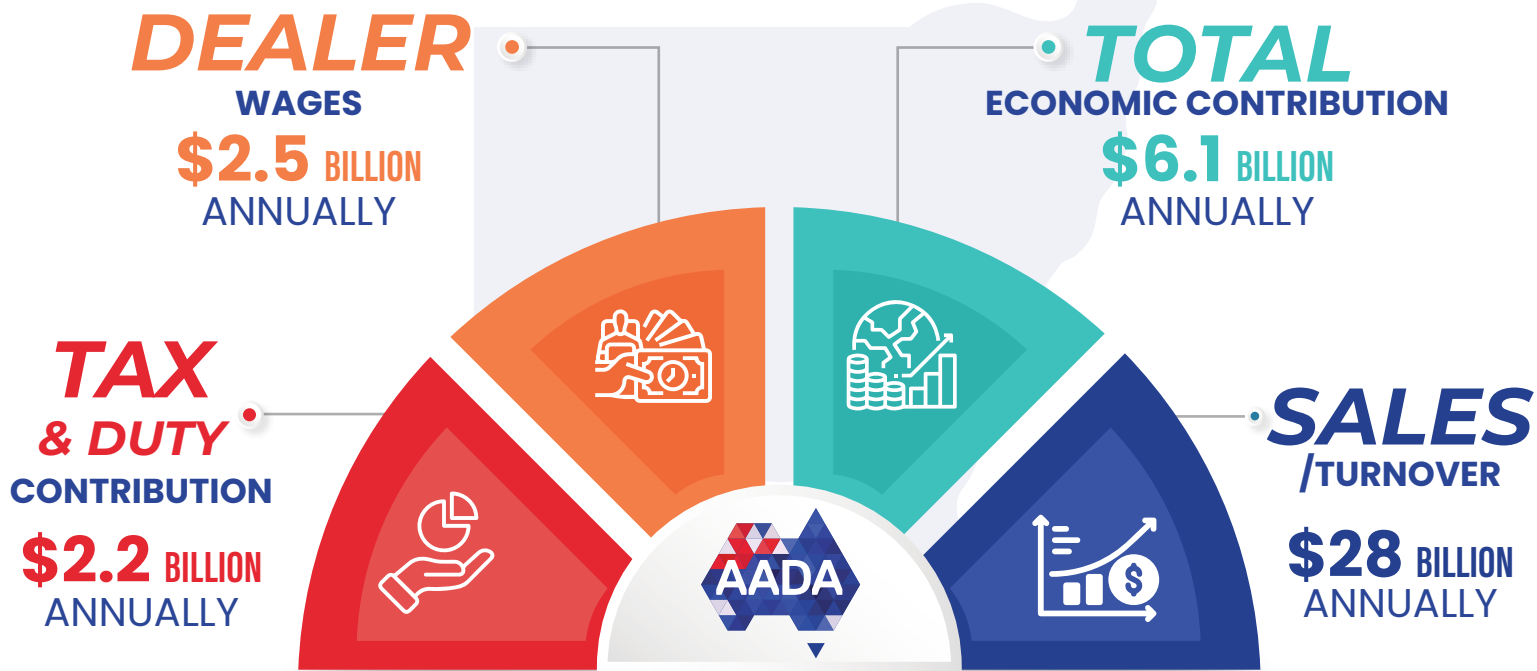




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DEALERNOMICS

NEW SOUTH WALES



DEALER EMPLOYEES

20,573



APPRENTICES

2,335



TRAINING
INVESTMENT
\$14.3 MILLION
ANNUALLY



WORKSHOP JOBS
COMPLETED
OVER 14 MILLION
ANNUALLY



CUSTOMER FINANCE
CONTRACTS
FACILITATED
142,073
ANNUALLY



NUMBER OF
DEALERSHIPS
1,187
TOTAL



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AADA RESPONSES TO THE TERMS OF REFERENCE

That the Committee on Transport and Infrastructure inquire into and report on infrastructure for electric and alternative energy source vehicles in NSW, including:

A) FUNDING AND LOCATION OF ELECTRIC VEHICLE CHARGERS OR INFRASTRUCTURE FOR OTHER POTENTIAL ENERGY FUEL SOURCES

Dealerships and EV Charging

Charging infrastructure is currently being rolled out throughout Australia, with a pressing need to significantly increase the number of charging options for EV drivers. A strong charging network is vital for the transition to EVs, giving consumers the confidence to invest in these new vehicle types.

The availability of charging stations including fast chargers, ensures that drivers can continue to drive their vehicles in the same manner that they would whether it is an Internal Combustion Engine (ICE) vehicle or EV. This element of the transition will require a significant investment in charging infrastructure and subsequent grid upgrades required to facilitate the installation of these chargers. Which means that businesses seeking to install fit for purpose charging infrastructure can often be weighing up decisions involving significant capital outlays, frequently exceeding six or seven figures.

There are factors external to dealerships that are driving the acceleration of EV uptake in Australia: government emissions reduction commitments, the introduction of the Government's NVES, OEM emissions reduction commitments, and consumer expectations/preferences.

There will be significant impacts on how the automotive dealership industry operates with a shift in government and OEM requirements, but this will present itself with new opportunities, such as the expansion of the number of EVs available on the market, and the ability to interface with customers by offering EV charging facilities and servicing EV vehicles.

AADA Report on EV Infrastructure Costs for Dealerships

To assist Dealers and to improve the industry's understanding of the costs associated with EV charging infrastructure, the [AADA commissioned Energetics to report on the cost of installation of EV chargers at Dealerships.](#) The findings from this report estimated that the required investment by dealers is expected to exceed \$1 billion, with the capital investment expected to range from \$130,000 for a typical regional dealer to \$580,000 for a typical rural dealer.

Dealers need to invest in charging infrastructure to provide ongoing support to potential and existing consumers of battery-powered vehicles by having chargers readily available at their premises for demonstration purposes, servicing and repair functions, as well as routine charging. They will also need to respond to Original Equipment Manufacturers (OEMs) which, in line with international markets, are introducing new infrastructure requirements for dealerships to support the sale of EVs locally.

Section 2

B) THE VIABILITY OF ALTERNATIVE ENERGY SOURCES FOR FREIGHT, HEAVY VEHICLES AND OTHER LICENCED VEHICLES IN REGIONAL COMMUNITIES

The AADA has no comment.

C) USE OF EXISTING INFRASTRUCTURE AND MEASURES TO ENSURE A COMPETITIVE MARKET, INCLUDING 'RING FENCING' POLICIES

The AADA has no comment.

D) MEASURES TO ENSURE THE TRANSITION OF WORKERS FROM AFFECTED INDUSTRIES AND INDUSTRY STANDARDS; AND

EV Skills Training and NSW Occupational Entry Regulations

In New South Wales, the Motor Dealers and Repairers Act dictates that auto technicians must be licensed under the Act for their occupation and the types of automotive repair work they perform. The Department of Fair Trading has recently been considering amendments to automotive repair classes under the Motor Dealers and Repairers Regulation.

The AADA has significant concerns with a number of changes proposed in the new regulation. Of primary concern is the establishment of new repair classes and the prescription of qualifications specific to work on battery electric vehicles (BEVs). This entails introducing a new repair class of 'electric vehicle motor mechanic' tailored specifically for motor mechanic work on BEVs only.

The regulation also prescribes that a tradesperson certificate in several other repair classes will be subject to the condition that the holder is prohibited from carrying out repair work on a BEV. In order for the above condition to be removed, the holder of a tradesperson certificate must complete a unit of competency for depowering and reinitialising BEVs – *AURETH101 Depower and reinitialise battery electric vehicle* and apply to NSW Fair Trading to have the condition removed from their tradesperson certificate(s).

The AADA has expressed concern, highlighting the significant cost to industry to retrain technicians who are already suitably qualified to undertake this work and in most cases have undertaken extensive factory training.

Section 3

The AADA also has concerns that transitional arrangements or recognition of OEM training have not been addressed in the Regulatory Impact Statement, and decisions regarding timely accessibility of EV training, recognition of prior learning, cost to industry, and impact cannot be made without knowing how a transition between old and new regulations will occur.

The AADA considers that further regulating the occupation of Motor Mechanic in NSW may reduce the availability of labour, making vehicle servicing more expensive and difficult to obtain. The AADA does not support increased regulations that are not accompanied by an evidence base that explains the reasons why additional regulations are needed and fully considers the costs to industry.

To that end, the AADA urges an imminent review of these proposed changes under the Motor Dealers and Repairers Regulation.

E) ANY OTHER RELATED MATTER

Technology-Neutral Infrastructure Planning

The AADA considers that the future opportunities in the establishment of a comprehensive charging infrastructure are appropriate for reducing emissions and building resilience in NSW's transport sector. But considers that rather than focusing on a particular technology type to achieve emission reduction goals, a technology-neutral approach should be taken.

There is no doubt that EVs will play a central role in helping to minimise vehicle emissions, but the AADA would encourage consideration of the range of other vehicle drive trains that will play a role in the journey to net zero by 2050. Hybrid, hydrogen and biofuelled vehicles can also help to make a strong contribution to reducing emissions, and as is the case with hybrid vehicles, significant uptake in 2024 demonstrates the community's confidence in these vehicles (PHEV increase of 100 per cent year on year and hybrid increase of 46.7 per cent year on year). Consumers are looking toward hybrid vehicles as a more environmentally friendly option over ICE vehicles, while not having to deal with the challenges noted above related to range anxiety and convenience.

Policies directed towards reducing transport emissions should be fuel agnostic and not come at the expense of these other vehicle types. They should be encouraged for the benefits they provide, including reducing emissions, providing confidence for consumers in their switch to lower emissions vehicle types, improving reliability and enhancing driving range.

CONCLUSION

We would be happy to meet with you to discuss our submission and participate in any further consultation. If you require further information or clarification in respect of any matters raised, please do not hesitate to contact me.

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Chief Executive Officer

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