

**Senate Select Committee on Electric Vehicles**  
**Questions on Notice**  
**Melbourne public hearing (Friday 31 August 2018)**

**Questions from Hansard –Australian Logistics Council**

Question No.	Asked by	Question
1.	Senator Carr (p. 18)	<p><b>Senator KIM CARR:</b> Mr Morgan, how would you describe the Australian logistics industry at the moment? How many vehicles are there on the road?</p> <p><b>Mr Morgan:</b> In terms of freight vehicles on the road, in percentage terms it was 19½ last time it was measured, which was early last year.</p> <p><b>Senator KIM CARR:</b> Nineteen and a half what?</p> <p><b>Mr Morgan:</b> Per cent—19½ per cent of vehicles on the road are freight vehicles.</p> <p><b>Senator KIM CARR:</b> Okay. How many vehicles would that be?</p> <p><b>Mr Morgan:</b> I would have to take that on notice to get you a number.</p>
2.	Senator Carr (p. 19)	<p><b>Senator KIM CARR:</b> And what's the average age?</p> <p><b>Mr Morgan:</b> Of freight vehicles?</p> <p><b>Mr Morgan:</b> For trucks, I think, it's about 14 or 15 years.</p> <p><b>Senator KIM CARR:</b> Righto. Is it higher for light trucks? Is there any gradation in the structure of the industry—prime movers, for instance? Do you have any sense of that?</p> <p><b>Mr Morgan:</b> I don't—I could find out for you, but I would have to take it on notice.</p> <p><b>Senator KIM CARR:</b> Would you mind?</p> <p><b>Mr Morgan:</b> That's fine.</p>
3.	Senator David Smith (p. 21)	<p><b>Senator DAVID SMITH:</b> SEA is quite small so there are probably issues around scale. I note in the submission that Australia Post was also engaged in a trial.</p>

		<p><b>Mr Morgan:</b> Yes.</p> <p><b>Senator DAVID SMITH:</b> Do we know how many vehicles? I think it was also the Renault Kangoo.</p> <p><b>Mr Morgan:</b> It's the same vehicle that DHL were using. I would have to take on notice the number they're using. I know it is in Sydney and Melbourne, but I'd have to take on notice the number of vehicles they're using in that trial.</p> <p><b>Senator DAVID SMITH:</b> Do we know how large Australia Post's fleet is in that space?</p> <p><b>Mr Morgan:</b> It's not particularly large, but I would have to get you a precise number.</p>
4.	Senator Rice (p. 22)	<p><b>Senator RICE:</b> What's the view of the industry about the introduction of heavy vehicle emission standards?</p> <p><b>Mr Morgan:</b> It's not a question that I've been engaged on directly in my time at ALC, so it's not a question that I can provide a particularly detailed answer on. Suffice it to say that the industry is determined to improve its environmental performance because there are business benefits for doing that and so is happy to have productive discussions with any government that would want to talk about those issues.</p> <p><b>Senator RICE:</b> If you could have a bit of a discussion, perhaps we could hear back from you—you could take that on notice. We've heard a lot in terms of the passenger vehicle market and that having vehicle emissions standards is going to drive the uptake of low-emission vehicles quite significantly. I imagine it would be the case in the heavy vehicle market as well. You'd expect that to be the case. As to the companies that are represented by the Logistics Council, yes, you've got your major players, but one of the issues that I know exists is the smaller operators who aren't complying with any standards at all. Do you have a concern about those? Would you see that introducing things like good vehicle emissions standards would actually help to clean up the industry?</p> <p><b>Mr Morgan:</b> It could do. Achieving reform in any aspect of the industry—and it is not just environmental—is always more difficult at the lower end of the market. We represent companies that are probably towards the top end of that market.</p>
5.	Senator Patrick and	<p><b>Senator PATRICK:</b> Could I ask a related question. Senator</p>

	Senator Rice (p. 23)	<p>Rice asked about these emission targets and you say you haven't really talked about it. But I'm reading through your submission and it says, 'Membership of the working group is open to ALC members and interested parties who share the aims of establishing targets for emission reductions and the number of electric vehicles in the fleet'. If you're talking about establishing targets, I'm surprised you haven't discussed that at all.</p> <p><b>Mr Morgan:</b> As I say, that group has had one meeting. It may well be on the agenda but it hasn't happened yet.</p> <p><b>Senator PATRICK:</b> Okay.</p> <p><b>Senator RICE:</b> Perhaps you could take it on notice.</p>
6.	Senator Bushby (p. 23)	<p><b>Senator BUSHBY:</b> What percentage of the new vehicles purchased by your members or by you directly are electric now?</p> <p><b>Mr Morgan:</b> I'd have to take that on notice.</p> <p><b>Senator BUSHBY:</b> Okay; but I'd imagine it's fairly small.</p> <p><b>Mr Morgan:</b> I will take that on notice but it won't be a high number.</p>
7.	Senator Patrick (p. 24)	<p><b>Senator PATRICK:</b> You talk about collaborating with government and engaging with government. I just want to go to a couple of instances where you may have already done so. In your recommendations you talk about having heavier vehicles in the Green Vehicles Guide.</p> <p><b>Mr Morgan:</b> Yes.</p> <p><b>Senator PATRICK:</b> I can't imagine that it would take more than about three or four weeks to update that website to include that data and to be able to do the comparisons. What is your engagement to date been with government, with whom and what has been their response?</p> <p><b>Mr Morgan:</b> The same submission that's been provided this committee was provided to the relevant portfolio ministers at the time—which have now changed as of last week. There were attempts to hold discussions with those ministries, which didn't happen by the time the portfolio changed. We contacted the new ministers this week to try and start those discussions again.</p> <p><b>Senator PATRICK:</b> So you won't mind if we perhaps ask a question on notice about progress in that area? That would seem to me to be an almost no brainer and almost at no cost.</p>

		<b>Mr Morgan:</b> Yes. In that particular recommendation, yes, that's right.
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**Senate Select Committee On Electric Vehicles**

**Public Hearing – 31 August 2018**

**Answers to questions taken on notice**

**1. Senator Kim Carr – How many freight vehicles are on the road?**

The most recent ABS Survey of Motor Vehicle Use in Australia released in March 2017 reported there were **3,550,097 registered freight vehicles** in Australia, accounting for **19.5 per cent** of the total national registered vehicle fleet.

Full details are available at: <http://www.abs.gov.au/ausstats/abs@.nsf/mf/9208.0/>

**2. Senator Kim Carr – Average age of trucks**

According to the 2018 ABS Motor Vehicle Census (released 27 July 2018), the average age of trucks on Australian roads is as follows:

**Light Rigid Trucks** – 11.1 years

**Heavy Rigid Trucks** – 15.7 years

**Articulated Trucks** – 11.9 years

Full details are available at: [http://www.abs.gov.au/ausstats/abs@.nsf/mf/9309.0](http://www.abs.gov.au/ausstats/abs@.nsf/mf/9309.0/)

**3. Senator David Smith - Australia Post – Electric Vehicle Fleet**

Australia Post currently has approximately 100 electric delivery vehicles (eDVs) in its fleet, in addition to approximately 2000 electric bikes used for deliveries. These vehicles are primarily engaged in last mile deliveries.

Australia Post expects to have 4,000 electric vehicles in its fleet within three years.

Further information is available at: <http://evtalk.com.au/evs-have-australia-posts-stamp-of-approval/>



#### **4 & 5. Senator Janet Rice & Senator Rex Patrick – Heavy Vehicle Emissions Standards**

As noted at the hearing, the ALC Electric Vehicles Working Group is still in the early phases of developing its work program. Consideration of these matters will form part of those discussions.

More generally, ALC's members are acutely conscious of the need for the freight logistics sector to enhance its environmental performance. This is why companies in the sector are making public commitments in this regard, such as DHL's commitment to zero emissions by 2050.

The establishment of the ALC Electric Vehicles Working Group is just one manifestation of industry's commitment.

In addition, a number of member companies are setting their own emissions targets, using solar and other forms of renewable energy to power their operations and deploying new technology in vehicle fleets that deliver improved fuel efficiency, and thereby reduce vehicle emissions in the sector.

#### **6. Senator David Bushby – Number of electric vehicles purchased**

Although it is difficult to ascertain a precise number of freight electric vehicles currently being purchased by industry participants, it is certainly fair to say that it remains small – as is currently the case for the passenger sector in Australia.

As was noted in ALC's submission to the Committee and during the hearing, this reflects a continuing presence of 'range anxiety' in the sector. Industry needs to be given confidence that Australia has both the charging infrastructure and reliable energy supply in place to sustain large scale use of electric freight vehicles.

As was noted by Linfox Chairman Mr. Peter Fox in the *Australian Financial Review* in January 2018:

*"We can't update 7000 vehicles in one day and make them more electric, and if I did, I wouldn't have charging stations."<sup>1</sup>*

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<sup>1</sup> <https://www.afr.com/business/we-will-be-the-first-mover-on-electric-trucks-says-linfox-chairman-peter-fox-20180124-h0nppl>



## **7. Senator Rex Patrick –Green Vehicles Guide**

ALC has written to the new Minister for the Environment, Hon. Melissa Price MP to provide a copy of our submission to Select Committee, particularly noting the recommendation around updating the Green Vehicles Guide to incorporate information pertaining to freight vehicles.

We are seeking a meeting with the new Minister to progress that matter.