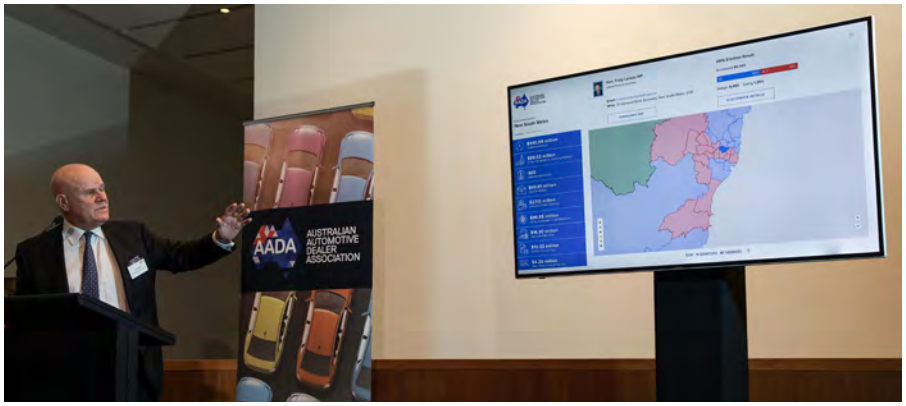
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THE VEHICLE DEALER'S NEWS SOURCE
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# Sharp tool of persuasion

Australia's new car dealers now have the ability to track the size of their economic influence on their local electorate thanks to DealerNomics.

The Australian Automotive Dealer Association (AADA) has launched its economic data mapping tool in Canberra in the Mural Hall of Parliament House with the impassioned support of small business and family minister **Craig Laundy.**

**The DealerNomics tool is an app showing turnover, wages contribution, tax paid, dealer employment and vehicle registration revenue, which any dealer principal or business manager can download and use to strike up conversation with their local member – or their opponents.**

Various figures of the automotive industry attended the launch including Automotive Holdings Group (AHG) and AP Eagers, Federal Chamber of Automotive Industries chief executive **Tony Weber**, ANCAP's **James Goodwin**, the Aftermarket Association's **Stuart Charity**, ASIC's ACT regional commissioner **Christian Mikula**, Holden chairman **Mark Bernhard**, Elgas corporate affairs manager **Warring Neilsen**, plus numerous minsters like **Paul Fletcher** and **John McVeigh**, Nationals senator **John Williams**, **Peter Greenwood** from Ascend Stragetic Council, member for Oxley, **Milton Dick** and **Anthony Albenese** – among many others.

AADA president **Terry Keating** says the demise of automotive manufacturing leaves dealers as the face of Australia's new-age motor industry

"We make a total economic contribution of $15 billion and the majority of dealers are still privately owned family businesses," he says,"which now make the bulk of the investment in property which we collectively value at around $17 billion."


*Terry Keating, AADA president*

**"This isn't much compared to figures thrown around in the budget - but we believe it's significant money when you add the working capital and human capital, including 70,000 employees around Australia," he adds.**

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## AADA conference line-up excites

The 2018 AADA National Dealer Convention & Expo, to be held on the Gold Coast, Australia from September 3-5, will feature the keynote speech by deputy prime minister, **Michael McCormack.**


*Michael McCormack*

Hosted by the Australian Automotive Dealer Association, McCormack will speak on day one, addressing the "advocacy and prosperity" theme of the session, sponsored by Cox Automotive.

He'll be followed by Ford Australia chairman, **Graeme Whickman** and National Automobile Dealers Association (NADA) chairman, **Wes Lutz** from the United States.

Other informative breakout sessions will include the return of **Kane Hocking** from carsales addressing how dealers can sell to customers who know more about their product than they do. **Grant Cameron** from Deloitte will discuss "Fraud In and Outside of your Dealership" and that data security is one of the biggest issues facing all businesses of the future. Also, **Lisa Fogarty** from Performance Circle will help you reconnect and listen to your customers "in a world where everybody is talking, texting, or tweeting, and virtually nobody is listening".

**Alan Bergman** from Star Automotive Consulting will offer solutions on aftersales compliance to "avoid the threat of manufacturer warranty reimbursement underpayments, unconscionable and unfair chargebacks, warranty audits" and the rest.

**The full 2018 AADA National Dealer Convention program is available at *www.aadaconvention.com.au* for all sessions registration, pricing and speaker biographies.**

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# Two thirds agree on data-sharing

Two sides of the automotive industry once at loggerheads are finding mutual ground on the sharing of vehicle service and repair data with independent workshops.

**The Australian Automotive Dealer Association (AADA) and the Australian Automotive Aftermarket Association (AAAA), representing new franchise car dealerships and service departments and the aftersales servicing and repair businesses respectively, have found bipartisanship.**

The AADA and AAAA agree the best course of action for both parties on the data-sharing discourse is also the best solution for consumers, as concluded by the Australian Competition and Consumer Commission's New Car Retail Market report.

AADA chief executive **David Blackhall** says for new car dealers to see return business, service and repair data needs to be accessible to the aftermarket.

"We have to focus on our customers and it's all about the consumer at the end of the day," he begins.

"We think that bigger game is key for the welfare of franchised new car dealers going forward."



*AADA's David Blackhall says aftermarket joy feeds brand loyalty.*

**Blackhall agrees it's time to get on with establishing a safe information-delivery system giving a better customer experience, one that benefits OEMs, franchised dealers and independent repairers.**

"This issue's been going on for seven years – it pre-dates me by a long time – and our attitude is to clear the deck and get it fixed in a way that works for all parties; and get on the bigger issues," he says.

AAAA executive director **Stuart Charity** says the system can benefit even staunch opponents in the car-makers who hold the rights over proprietary service and repair information.



*AAAA's Stuart Charity says having dealers on-side is healthy (profitable) business-sense.*

"We've been engaging in fairly constructive dialogue with the AADA since the final version of the ACCC report came out and we're pretty encouraged by the response on where the data sharing code should go," he says.

"The relationship's got more common ground than there ever has been."

**Charity concedes it has taken too long to reach this point, but says he appreciates the industry's changing ways.**

"We might be an island, but we do have Google," he says. "We do have international relationships and some of our counterparts are flabbergasted to hear of Australia's situation [on data-sharing].

"There's clear evidence to the contrary that data-sharing increases security risk or vehicle theft, the ACCC found that in their report, and the system is working in the United States with the same car companies, where they're all trying to out-do each other on aftermarket data exchange," Charity explains.

With the two, whose members service Australia's 16 million vehicles every year, now on amiable terms about the cost-of-doing-business model for exchanging manufacturer servicing data and bulletin information with aftermarket, they agree that manufacturers need to get on board.

**"There's a legitimate imbalance between manufacturers and franchised dealers, which is driving a lot of competition issues, and we're sympathetic to that," Charity acknowledges.**

"There's room for both aftermarket independents and dealers to work in the market - the value proposition for a dealership, especially for people with younger vehicles, is pretty strong."

Blackhall agrees, paying forward the vital role the aftermarket plays in bringing customers back to, or keeping them loyal, to a particular marque's franchised dealer network.

"As people get into their later years of ownership they'll take their older cars to the local independent," Blackhall says. "Because when a 10-year-old Land Rover turns up in my dealership service department, I'm probably looking for the bloke down the street to give me a hand with it because I've got warranties, airbags to replace, diagnostic work and general servicing to do."

**"Sure I want to keep the relationship with the customer, but I'm less likely to do it after 10 years or so.**

"Very few people, who spend 30, 40, 50, sometimes 100 grand on a new car, are prepared to spend that on a new car today and take it immediately down the road to an independent repairer and hope for the best," Blackhall adds.

"I've said to leaders of the likes of Ultra-Tune, we wish you all the best in that battle, but we as franchise dealers will always own that space in my opinion, and the aftermarket will by default own that space in the years after the warranty period."

They both agree the older the car gets the closer customers get to trading up to a new one. Having their older vehicle serviced and respected by the brand and the independent mechanic, means customers are more likely to stick by that brand and poke their head into their nearest dealer.

"It means customers will come back to buy a new car based on their good ownership experience in the past," Charity says.

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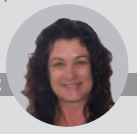
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# Trucks on crash test agenda

The Australasian New Car Assessment Program is undergoing early preparations to conduct light commercial truck crash testing.

**The independent ANCAP is expanding its scope of the new vehicle market to include light and medium duty trucks from 3.5 tonne and over, which would include volume models from some of the biggest manufacturers in the segment including Isuzu, Hino, Fuso and Iveco.**

ANCAP chief executive **James Goodwin** has officially told the fleet managers of Australia and New Zealand the high-mileage, unrated fleets of heavy-lifting trucks should join the nations' near-100% covered new passenger vehicle markets.

"We cover vehicles up to about three-tonne; duel cab utes, light vans, they are all covered," Goodwin begins.

"That light commercial segment is the most improved in ANCAP crash testing, but it's still in need of greater improvement with collision avoidance and driver assist technology," he explains.



*James Goodwin, ANCAP*

"We're now looking at expanding into vehicles over 3.5 tonnes; the light to medium trucks, and we're investigating that right now."

**Goodwin says while 95% of the popular light vehicle market is five-star rated, the ANCAP truck testing protocol will be a pioneering engineering exercise.**

"Nobody's done this in the world, we would be the first, so there is some work to be done," he says.

"We have an entire segment that is unrated but urgently needs to be - it's an area forgotten about for a while. They do high kilometres, they often replace utes as firms grow and they move into Hinos or Isuzus and so on, but there's no safety comparison."

It's not as simple as pointing the new Ready-to-Work N-series Isuzu – the best-selling light truck in Australia – at a concrete barrier in Sydney's Crashlab, Goodwin iterates.

"We're currently investigating the sort of crashes occurring in that segment, and looking to introduce a rating system that will inform fleet buyers of their crashworthiness in those scenarios," Goodwin says.

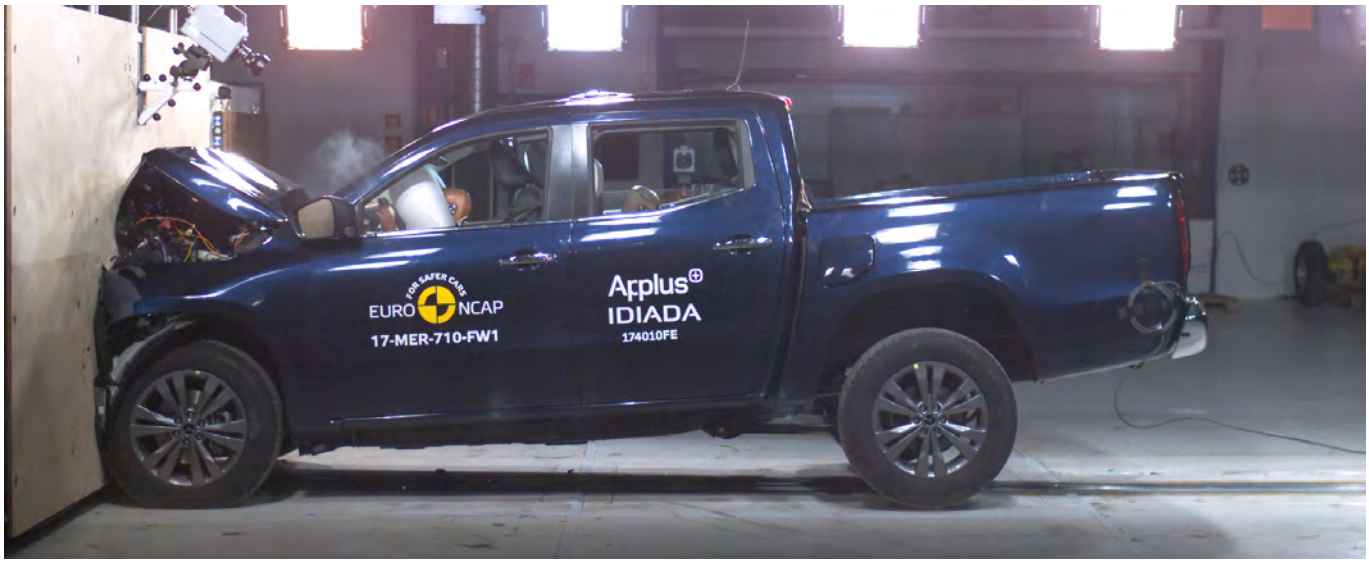
"That means finding out what types of crashes are happening, we need to know how to mitigate those crashes; so we need to look at the 'accident-ology'," he reveals.

**"The occupants may not be involved, but maybe passenger vehicles are; can the crash labs actually fit a truck, can the barriers support those truck tests?"**

With the spate of light passenger vehicles and trucks being involved in crashes, the changes to Chain of Responsibility regulations and the increasing focus on the mobile workplace vehicles by Work Safe, Goodwin says the time has never been more crucial to look at the hardest working vehicles coming and going all day every day.

"We feel we've got an opportunity here to offer that choice and competitive advantage in the segment, it's also a responsibility because fleet buyers want that information, you want your employees in the safest pos-

**Continued on page 5**




*Light commercial vehicles risk losing fleet sales without AEB*

Continued from page 4

sible truck," he says.

**However, the program also recognises a need for caution before encouraging owners and small businesses getting their drivers out of older utes, vans and light trucks into newer models which may be equally unsafe or lacking the latest safety features not mandated by Australian Design Rules.**

"We also don't want people to move from something like a 4-star ute into a light truck that doesn't have any safety features – we want to close that loophole," Goodwin says.

"The starting point is raising awareness of safety features in those vehicles, then we'll start conversations and advocacy work by testing a good or bad truck before starting a full rating program."

**He says OEMs have already started showing interest in getting their five-star ratings in front of buyers.**

"In the higher unrated 5-tonne category, we have manufacturers coming to us asking us to investigate because fleet managers are coming to them asking how safe the vehicle is."

"So manufacturers typically want to have the safest vehicles and so buyers also want that - a lot of brands are coming in ahead of time to adopt changes before they're spot tested."

On the issue of light commercial vehicle safety, ANCAP is continuing to push manufacturers who still lag behind in full-range autonomous emergency braking rollout, as Mercedes-Benz has done with the new X-Class.

**"It takes disruptors every couple of years to change the marketplace," Goodwin says frankly.**

"The XClass may not be the best seller yet, but it says to all other brands and models in that segment, This is the benchmark, how are you going to respond?"

"Now cars are leaping forward with things like autonomous emergency braking, so the LCV segment needs to come up to speed," he persists.

**Goodwin also touched on advice for consumers, including fleet procurement teams, on the addition of vehicle accessories such as bull bars, nudge bars, roof racks and towing items and how they affect safety.**

"Our data sheets have a number of part numbers for bull bars and other accessories, that we would say a vehicle retains its star rating for if fitted with those part numbers," he notes.

"Make the modifications you need to, but always after starting with the safest vehicle to begin with," Goodwin urges with caution.

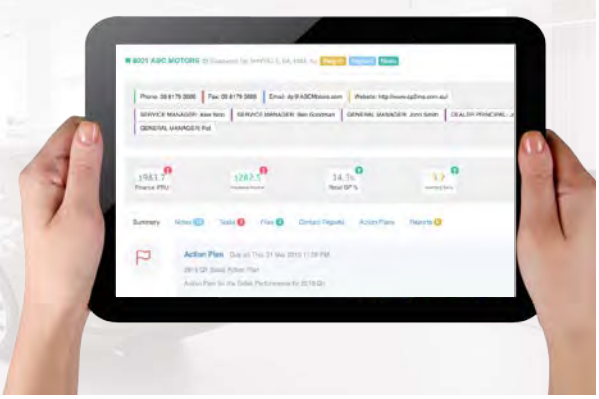
"We know our limitations, but we're happy to guide you. So we advise all vehicles should continue to comply with state regulations by default. If you are making modifications, give us a phone call and check."

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# Fleet management weighs in on emissions

The Australasian Fleet Management Association is calling on fleet managers and their respective organisations to share their fuel consumption data to collectively inform policymakers.

AFMA will pool the data to demonstrate the real-world effects of relying on laboratory bench test figures and how costly fuel waste is burdening businesses, community organisations and even governments themselves.

**AFMA managing director Mace Hartley says real-world fleet fuel-use data can better illustrate a realistic footprint that will rally governments to address fuel quality and the exponential cost to business.**

"We're seeking members to fill out surveys about how many vehicles are in an organisation's fleet size, and potentially the number of fuel litres used in 12 months."



*Mace Hartley, AFMA managing director.*

"It's going to capture some detail, and will show support for clarity and transparency in the real world."

Hartley says fleet management is a due diligence expertise but is undermined by inaccurate data.

"We do our fit-for-purpose analysis, we do our whole-of-life calculations, and to find a fleet can be out by as much as 59%, such huge distortions means the problem is amplified," he says.

"It would be okay if it was just one car, but fleet managers don't buy just one car. You make that choice of fleet car for the next three years – it's a long-term commitment," Hartley explains.

**AFMA indicates the exercise is not to persecute carmakers which are essential to fleet management relationships in the automotive industry, it's about better-informing purchase decisions.**

"These vehicles aren't doing anything wrong, they've met all the regulatory requirements, this is just about understanding how they're really performing so we can make that informed choice," Hartley concludes.



*Michael Bradley, AAA chief executive.*

"What's better for the consumer is better for fleet managers because we amplify the market."

Australian Automobile Association (AAA) chief executive **Michael Bradley** who presented to Australasia's fleet managers, says the half-million dollar Portable Emissions Measuring System (PEMS) testing has given procurement teams a better understanding of their fleets' true habits.

"Consumers deserve more accurate information about emissions and fuel consumption," he begins.

"We think our test, with a broader scope, should be made as standard, testing 60 new cars per year."

**Bradley says a national new-car emissions testing programme can be operational out of Canberra to the tune of $3 million per year, adding a $3 levy on every new car sold in the Australian market.**

The excise earned from 2018-19 fuel costs is expected to increase over the last financial year, cracking $12.6 billion – making the three-million look like chump change – and Luxury Car Tax (LCT) is expected to rake in $1.8 billion in revenue alone.

"This is not to replace laboratory testing, it's not to be a regulatory mechanism – it's a consumer information piece like ANCAP which provides consumer information," he explains.

**Bradley says consumers, private and business, are paying for engine and emission technology that doesn't do what it promises on the packaging.**

"When we talk to governments and they say carmakers tell us they're not surprised about the results because there's an accepted 'fudge factor', the reality is only three out of 30 vehicles performed as they said they would on the sticker," Bradley continues.

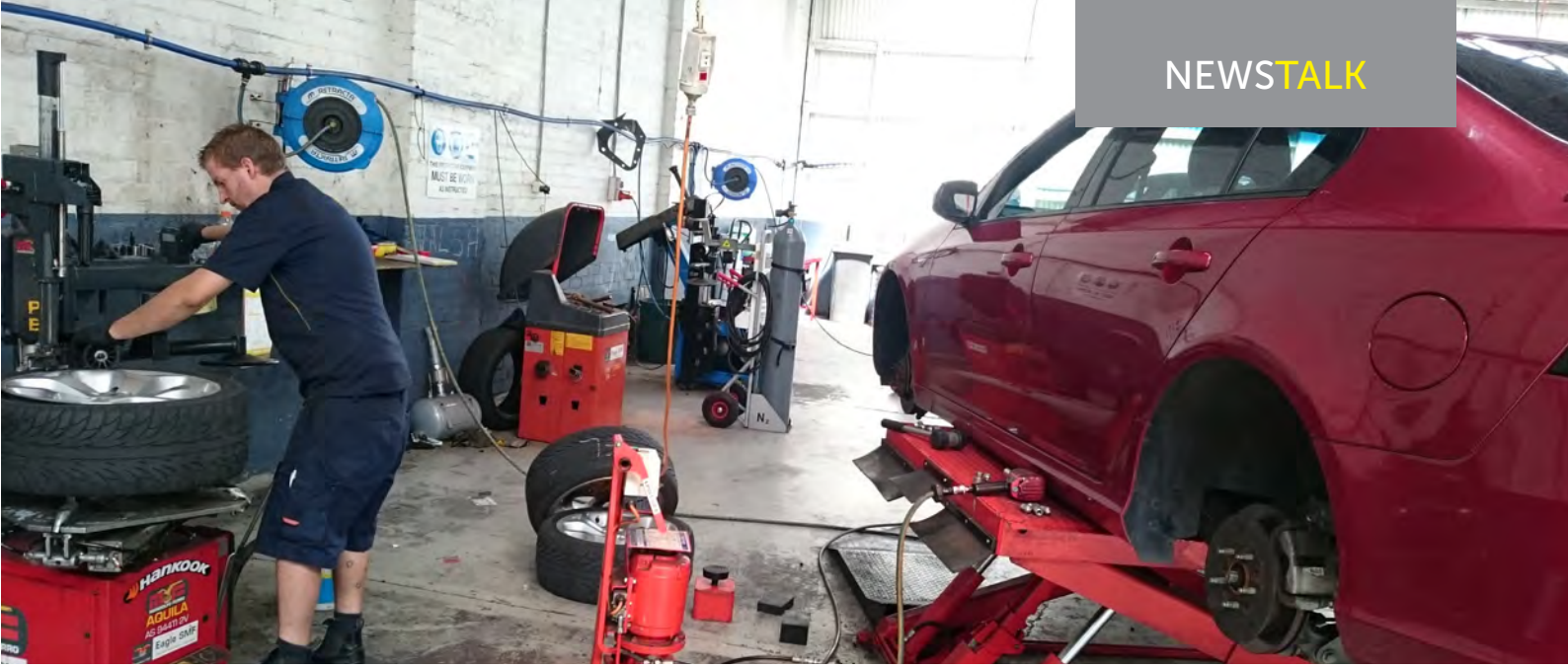
On average in the PEMS testing programme, AAA found test vehicle fuel use and emission figures were on average inaccurate by 23% based on the ABMARC protocol. But Bradley says some could be out by up to 60% – one plug-in hybrid used four times the amount of fuel than it indicated it would.

"To your business, I'm assuming this is an important fact as you try to work out what the real cost of your fleet is going to be," he says.

**Bradley says as the emissions regulations tighten, the gap between real-world results and static lab figures widens from Euro 4 to Euro 6.**

"If you overlay the Green Vehicle Guide with real-world emissions results, you can see for yourself and vote with your feet which vehicles you procure."

"As emissions standards are becoming more stringent, carmakers are getting better at engineering their vehicles to meet those targets in the lab, but the technology or strategies they're developing do not deliver the fuel economy or environment gains your company is signing up for," Bradley concludes. ■




# Think you're in the clear?

Chain of Responsibility and workplace health and safety are inescapable and it's more important than ever to avoid complacency.

With all the dangers associated with working in and around vehicles, the modern franchised dealership is full of "what if" scenarios which can go unchecked, and often do, without reporting. The same applies to every mechanical workshop, tyre-fitter, auto retailer, car-wash, wrecker and recycler in the country.

Any service department, with tools galore, lubricants and coolants, manual labour, customer interactions and handovers, there are thousands of variables that can change a business for good. If they're routinely recognised and attended to.

**Police enquiries, coroners, prosecution and publicity are all inconveniences that an organisation, big or small, powerful or primitive, dreads to hear or read at their desk.**



*Bruce Whitehead rips strips off the excuse-makers; it's marvellous to watch.*

And it's this exact attitude that **Bruce Whitehead,** founder and presenter from Mock Court International, works to counter with his years of experience in police prosecution with the New South Wales police force and senior prosecution lawyer with Work Cover.

"You don't get your time again," he begins, "Businesses tend to really switch-on when it comes to what they needed to be doing, after the incident."

**"When you get prosecuted, many think it's very administrative, but they're very emotional, tightly-wound affairs, with barristers making 20-30 grand a day putting on a show, people crying - it's not much fun," Whitehead explains.**

Whitehead, who presented at the 2018 fleet conference in May, says what catches the eye of the likes of Work Cover is not granular, it's habitual.

"We weren't out to prosecute marginal infractions or technical breaches of legislation, it's about prosecuting those businesses which systemically or culturally failed.

"The reason I won so many cases with Work Cover is because you don't have to prove intention – which means when I turn to look at the 'criminal', because they are criminal in legal nature, I was just seeing a bunch of normal people."

Whitehead says in 1800 mock courts, taking organisations and their staff through a joke-infused simulated trial that gives them a chance to glimpse into one possible future for their company, is about keeping people safe.

**"There are certain philosophies and tactics you can apply to compress that compliance risk and keep people safer," he says.**

"You need to be authentic to the fact that people can get hurt in your workplace, and be authentic to the reality that you're not perfect and you can be vulnerable when you make mistakes," he explains.

"It's okay to drop your guard and be prepared to accept this.

"We live in an age of distraction; a wealth of information creates a poverty of attention," Whitehead philosophises, quoting American social scientist, economist and 1978 Nobel Prize winner Herbert Simon.

"I'm a facilitator of information, it's up to businesses to implement changes. We all agree we expose people to risk, and foreseeable risk," he says.

**Whitehead is an enthusiastic speaker and he has to be. While he conducts mock courts in company lobbies or boardrooms, dresses a client's staff member up as the magistrate or judge, with lots of sprinkled jibes weaved into the dialogue between prosecutor and witness, plus an opposing counsel with attitude and the accused named Barry Crocker, there's a serious undercurrent.**

"Let's pretend you're not 'lucky' in 2018 with regards to your near-misses," he tells the room of fleet managers whose thousands – probably tens of thousands – of drivers or operations staff could be next.

"You will be investigated internally and externally, and the vast majority of factors leading up to your train wreck are known.

"Using 'I didn't know' or 'I didn't have time' are excuses, not reason for an incident, they're a symptom," Whitehead diagnoses.

"The law says you must protect the careless and incompetent, the ignorant and uninformed, as much as the highly trained," he says with a straight face, having stopped pacing on stage.

Whitehead admits he tries to be pro-

**Continued on page 8**




Mock Court International gives you a chance to get it right before you get it wrong, for real.

# Think you're in the clear?

Continued from page 7

vocative and disruptive in his breakdown of how these sagas go for businesses.

"It's sometimes as much a function of luck as it is good process, that incidents are a near-miss not a fatality. The reporting of near-misses in this country is atrocious. Internally you might investigate a serious incident in your workplace, but what about near-misses?"

"Ever watched the show air crash investigation? Planes don't crash for one reason, and that's why the show goes for an hour," he jests.

"The majority of larger businesses, I suspect, have significant mature safety policy and procedures.

**"Is it possible, when you conduct your internal investigation, that someone will say 'The paperwork wasn't filed properly' I can tell you that 95% of the things you dig up during the course of your train wreck investigation were not only detectable, but the vast majority were known before the incident."**

Whitehead envisions a manager asking their worker why a procedure or rule wasn't followed, with the two quickest, easiest, off-the-cuff answers being 'I didn't know' or 'didn't have time'.

"Those excuses, I'll bet, did not just apply to that day or that person. But you didn't need the incident to work that out, and you can't blame the worker because they haven't had the training, been made aware of the training, proper training programmes weren't executed. Suddenly we're a million miles away from blaming the worker.

"Then I might start asking nine of his workmates who are going to give the same answers, and suddenly you have a corroborating evidence of systemic failure."

**It's clear at this point Whitehead has his audience of managers, policy makers, bosses and colleagues all listening with held breath, taking in the seriousness of what could happen in any business that revolves around the use of vehicles. But, talking fast and cutting straight to the point, he relieves the tension.**

"People are professional excuse-makers; we hit the snooze button, we don't eat properly, don't go to the gym, don't practice proper breathing techniques to improve heart variability, you forget to kiss the wife after bickering last night, we jump in the car and speed just a little bit, address all social media needs on our phones while the cops aren't looking and we get it done when the light turns green and then we get to work with another 10 hours of excuse-making to do," he jokes before taking a much-needed breath.

Whitehead refers to a number of stories, one of which saw a $1.1 million fine, where a council worker's arm went into a wood chipper, followed by his second arm, which he describes with a Monty Python level of noir satire. It sounds insensitive, and it is to most, but humour gets cut-through with a disengaged audience, and being disengaged and inattentive is the exact thing Mock Court needs to counteract to make a difference with such a prickly issue.

**"The purest of intentions mean nothing compared to actions you take," he says, "A lot of businesses don't even get 50% compliance on safety.**

"There will be a significant portion of you prevailing risk management systems where workers say 'I have to do it'. Where are the incidents more likely to happen, in "I want to" or "I have to"?"

He describes the palpable contempt of confronting businesses such as a tier-one construction company with the holes in their procedures and training regime, acknowledging the risk of people taking liberties on safety when not supervised.

**"Humanise safety and compliance," Whitehead advises, "This removes the 'Us versus them' element, it reduces resistance. Saying 'We've always done it that way' is one of those symptoms."**

Whitehead says there are four fundamental reasons people resist your workplace safety and the policies and procedures that go with creating a conscious safety culture.

"The first reason is it's too complicated and not simple enough, second it's impractical, third is it's not credible and the fourth is it doesn't generate an outcome because it's not outcome-oriented," he says in summary.

It's in the last 15 minutes Whitehead breaks open your vulnerabilities, pulling a barrage of fast punches direct from legislation and precedents, with evidence to support the notion you have homework to do. It's a confrontation with the truth that will overwhelm the business's best excuse-makers and their "cesspool of mediocrity".

"Stopping the incident happening again is reactive, not proactive, don't be ignorant. We say safety is the most important thing, but if you can't answer every one of my questions here in a mock court, I'll destroy you in real court," Whitehead concludes. ■




# Giving birth to hydrogen economy

Hyundai Australia has landed the first Nexo fuel cell vehicle in the country to commence public awareness for the energy technology.

Hyundai Australia's **Scott Nargar** is the manager of future mobility and government relations who has taken the Nexo to fleet managers, technology pundits and government officials and says a hydrogen economy is Australia's next big innovation.

"We can't really get internal combustion any cleaner than it is right now, and it's not a debate on EVs versus fuel cells – it's zero emissions over internal combustion," he says.

"We're focussed on getting the technology out at an affordable price so we're going to attack those luxury electric models because 1000 EVs isn't a sales figure to be proud of," Nargar reveals.

**He says the potential to employ plumbers, engineers and technicians is enormous in Australia, which governments need to look into.**

"We have some of the best gas engineers in the world, so I would love to see jobs created here," Nargar says.

"Which means we need to invite competition to get this out – we're asking Mercedes to bring their F-Cell vehicles, Honda to bring the Clarity and Toyota to push harder with the Mirai – because this gamble has to pay off, there are many heads on the chopping block but we know it's going to pay off," Nargar says, appealing to other manufacturers.

"Full credit goes to Nissan and Mitsubishi too, for their efforts with the i-Miev and Leaf, maybe the market wasn't quite right for those cars, but they had a go," he adds.

Nargar says organisations would invest anywhere from $150,000 to $1-2 million in renewable on-site hydrogen production to fuel their fleets, which again means jobs.



*Scott Nargar, Hyundai Australia*

**"We're not seeking orders of five cars, we need to fill big orders so that the demand is there to build more fuel cell cars; it's all about economies of scale, and a fuel cell system is scalable to bigger transport, trucks, ships, planes," he says.**

"And we have no fear in backing our drivetrain for 10 years," Nargar adds. Nexo right-hand drive production commences in November this year.

Victorian employment and industry minister **Ben Carroll** says an economy promoting hydrogen fuel cell technology could reinvigorate Australian automotive manufacturing.



*Industry minister Ben Carroll*

Speaking at KPMG in Melbourne for a presentation hosted by Hydrogen Mobility Australia, the minister announced the Victorian government will support the foundations of a hydrogen economy and transport supply chain.

"I'm very keen to see what we can do with our own government fleet to support this emerging sector and ensure it's strengthened," Carroll explains.

**"It's important we lead by example and it's why we've commissioned Infrastructure Victoria to do a groundbreaking report on the future of electric vehicles including hydrogen, propulsion, and what it means for this state in manufacturing, in defense, and making sure we have infrastructure in place."**

Carroll says in achieving Victoria's 2050 net zero carbon emissions target there are plans in place to reach that goal.

"We are very keen to work with (energy, environment and climate change) minister **Lily D'Ambrosio** to support Hydrogen Mobility Australia, and ensure our auto sector, supply chain, and workforce continues to be supported," he says.

"We need to be frank and say we're behind in Victoria and need to play catch-up to live up to being the world's most livable city, and the only way to meet that standard is to embrace hydrogen fuel cell electric vehicles."

**Carroll commends automakers for their attempts to survive as long as they did, but believes a new automotive frontier is beginning in eliminating transport emissions.**

"While I would have loved to see car manufacturing stay, but we are where we are, and its the work on hydrogen and electric vehicles – and the global supply chain – will make sure we're part of the action."

"We're working closely with carmakers because we have the world's best designers coming out of our universities."

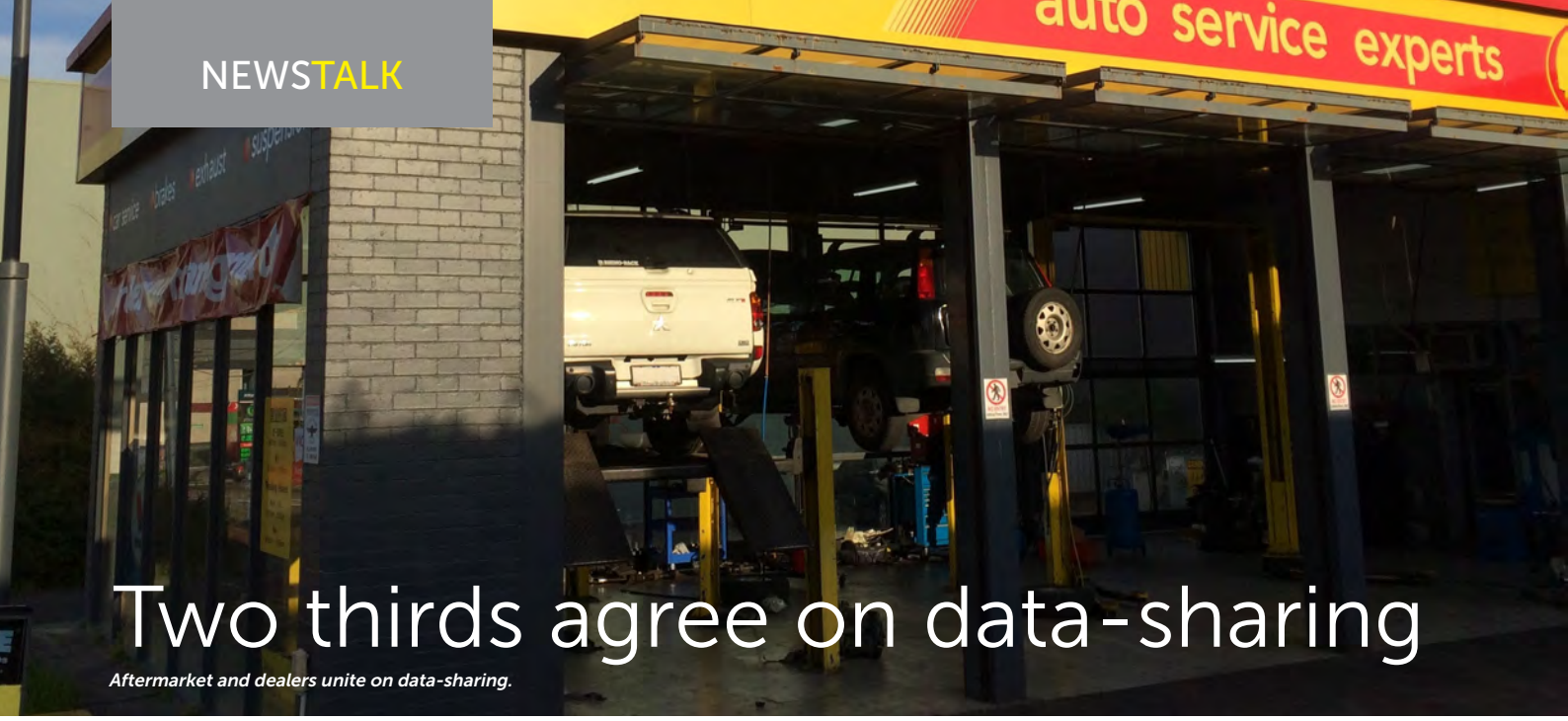
**Simon Corbell,** ACT deputy chief minister and Victoria's Renewable Energy Advocate, says governments need hydrogen policies in place to see long-term supply chain change.

"We need to identify government incentive opportunities, taxation treatment and other states need to get involved to stimulate demand.

"On the employment front, current sectors exposed to rising energy costs, like those dependent on gas, hydrogen is a way of prolonging our availability of natural gas, but also as a more competitive and low-carbon fuel.

"It's a critically important task for the

**Continued on page 23**




# Two thirds agree on data-sharing

*Aftermarket and dealers unite on data-sharing.*

**Continued from page 3**

"I've heard people are, anecdotally, not interested in buying a new vehicle because of these kinds of issues - word travels," he continues.

**"With the size of this continent, people in rural areas, travelling as far as Australians do, you must have that servicing footprint to make sure vehicles are safe and can be correctly serviced wherever they are.**

"The continued reluctance of the car industry to engage in this is quite perplexing. I think they're holding on by the fingernails, and the catalyst will be things like **Michael Sukkar** all-but-officially-announcing they're actively designing a scheme that will force carmakers to comply."

In the digital age of vehicles, with two or three generations of complex computerisation, Charity and Blackhall agree that people are capable of making an informed decision whether to stick by that brand or not.

"This data-sharing code can be a first step in a broader code to governance of the automotive space now manufacturing has disappeared," Blackhall finishes.

**"At the end of the day people should be able to choose on price, technology, training, relationships, trust – and servicing and repairing their car – all the things that create a level playing field and drive good competition," says Charity.**

The Federal Chamber of Automotive Industries (FCAI) says it "challenges assertions" around what it describes as a "lack of access to service and repair information" available to the automotive aftermarket.

The manufacturers' advocacy body says the 17 million cars on Australian roads being maintained by the aftermarket's 23,000 independent service and repair outlets has a weight of resources compared with the 3500 franchised new car dealers.



*Tony Weber, FCAI*

FCAI chief executive **Tony Weber** remains firmly in question of the necessity of a mandatory data-sharing program between OEMs, the aftermarket and dealerships.

**"Where is the market failure that we are trying to address?," he asks, "With 23,000 independent outlets already having access to information on 85 per cent of the market via the FCAI website and other sources."**

"The sector is already accessing important information to enable it to carry out service activity. Otherwise, how are these vehicles currently being serviced?" Weber summises.

The FCAI says in a May statement it "strongly supports a viable independent service and repair sector, which creates choice and competition for consumers", but has not allowed open access to security and safety data due to security and environmental concerns.

"Mandated access to complex automotive service and repair data must also bring with it the need for the independent sector to invest heavily in the appropriate levels of training and equipment," Weber explains.

"A mandated regime for repair businesses will need to ensure that all registered repairers can demonstrate that they have the correct tools, technical equipment, and training to service modern, high-tech cars," he adds.

**"Each of these factors will require ongoing investment by the service provider to maintain standards and ensure community safety."**

Assistant treasurer Michael Sukkar last month told the AutoCare 2018 audience of aftermarket professionals data-sharing is coming.

"The Government is actively working on the design of a mandatory scheme for the sharing of critical repair and service information with consumers and their choice of repairer, ensuring competition and fairness for Australian consumers," he said in his keynote speech.

"We will continue to engage with stakeholders, including the AAAA, and we will provide advice to the Government to assist in the development of a mandatory scheme for you to get access to the technical information you need to fix cars, and to compete."




*Assistant treasurer Michael Sukkar*



# Sharp tool of persuasion

Continued from page 1

**Keating points to the significant tax paid by dealerships which he describes as "made in Australia and paid accordingly."**

But he says the impost by governments on new car prices which include stamp duty, registration and GST, he reminds the Liberal government can impact the price of the vehicle by nearly 20%.

"For every dollar above the tax-inclusive price of $65,000 attracts a further 33% Luxury Car Tax – for some vehicles it can mean a 50% impost on top of the list price," Keating says to the room, unabashed.

"We're often asked by governments of various persuasions 'Are our vehicle prices competitive?' You only have to look inside this house and the ones inside Macquarie St and elsewhere to find the answer to that question," he adds, before handing the lectern over.

**Craig Laundy**, minister small and family business, says the tireless campaigning from the AADA and its members has been received loud and clear.

"As a third-generation publican and an accidental politician you should've said: 'You're all paid too much, you live in a castle and we're the ones paying for it'," Laundy opens.

**"The dealer association was one of the first through my door when freshly minted early in the year. As former innovation minister, I think in a way, innovation is being used against you, to lock you out," he sympathises.**



*Minister for small and family business, Craig Laundy.*

Laundy reveals the conversations are ringing positive between himself and assistant treasurer **Michael Sukkar**, who was born in 1981 – decades after some dealer principals began their businesses as automotive dealers.

"I can assure that you have a empathetic ear in discussions with minister Sukkar; we are currently considering responses to the ACCC's New Car Retail Market report."

Laundy then describes the moment of having his photo taken next to one of a series of interactive screens with the DealerNomics app in action at the launch, with "someone" from the electorate next to his in Reid.

**"It struck me," he exclaims, "you all in this room are risk takers, running your own businesses.**

"The majority of you run your own businesses and the problem we have for prosecuting the case for lower tax, especially on the corporate side of the fence, is that 3% of Australians will be entrepreneurs in their lifetime, and 97% will be PAYG tax earners," Laundy continues.

"Those 3% are taking on bank debt, employing people and backing themselves; there's this perception if you turn over certain dollar figures means you're a small or big business - well I'm the minister for small family business and there's $441 million of turnover just in my electorate, in your small family businesses, employing about 400 locals," he says with gusto.

In future data updates by BDO, the same accounting and professional services firm that works with many franchised dealers already, the number of staff employed by dealers within an electorate will be added, as minister Laundy suggests.

**"I think you should add to your app and tell me how many businesses are in every electorate so I can do the division as a rule of thumb," he says, seemingly eager to address issues that can build or bust a dealership.**

"I'd argue a business that turns over more than $2 million is big, especially working on the margins you work on – that's the challenge we have on our side of politics," Laundy admits.

"We have to get 50% plus-one to get elected, pitching our case to get those on-side who don't do what the overwhelming majority of you – the 3% – do every single day."

With the borrowed time most politicians' careers live by as a frivolous comparison, Laundy says he understands what's at stake for dealers if things go under.

"I get what you do firstly because I've done it, but I also appreciate what you do because if your staff lose their job tomorrow they look for another job. But if you lose your job, your dealership, you lose your home," he concludes.

**"I'm in a marginal seat, so who knows, I might be chucked out at the next election," he jokes.**

"I hope if there are barriers to you being successful, we as a government can find ways to help you pass them."



*Government and industry welcome DealerNomics to the fray.*

## AUTO TALK DIARY

**AutoTalk Australia's** editor Scott Murray looks at the month gone by on **autotalk.com.au**



# May 4

## ACCC services aftermarket data sharing concerns

The Australian Competition and Consumer Commission has stated it will support the need for a mandatory vehicle service and repair data-sharing system.

**Chairman Rod Sims spoke at the Australian Automotive Aftermarket Association's Autocare 2018 convention in Sydney today, saying the voluntary commitments by car manufacturers to impart technical data with independent repairers has been a failure.**

"Few car manufacturers provide equivalent access to the technical information provided to their authorised dealers and preferred repairer networks," he says.

# May 7

## VACC announces industry award finalists

The Victorian Automobile Chamber of Commerce has announced its finalist candidates for the 2018 VACC Industry Awards.

**Award winners in 35 categories and sub-categories will be declared at the VACC Industry Awards and Centenary Gala at Crown Palladium on Saturday, June 23.**

Finalists for this year's best new car dealer award are Carworks (Renault) in Ballarat, Essendon Hyundai, Mantello Kia & Suzuki in Fawkner, and Werribee Kia in Melbourne's west.

## Treasury says data sharing scheme 'in the works'

The Australian Automotive Aftermarket Association has heard assistant treasurer **Michael Sukkar** confirm a mandatory vehicle repair and service data-sharing scheme is being developed by federal government.

**AAAA hosted Sukkar at the Autocare 2018 aftermarket conference in Sydney on Friday where the minister joined ACCC chairman Rod Sims in supporting the independent workshops as they look for a better coalition between them, carmakers and franchised dealers.**

The assistant treasurer acknowledges the "priority" for government to establish a functional way to access proprietary information as a result of the Australian Competition and Consumer Commission's new car retailing study.

# May 8

## AADA gives 2018 Federal Budget thumbs-down

The Australian Automotive Dealer Association (AADA) says it is disappointed tonight's Federal Budget failed to announce the removal of new car taxes such as the luxury car tax.

**AADA has expressed its disapproval of what it describes as a "missed opportunity to reward consumers and local businesses."**

AADA chief executive **David Blackhall** says he expected better from the government post car manufacturing.

# May 10

## AAA says Budget "fails to reinvest" in motorists

The Australian Automobile Association has expressed concern the 2018 Federal Budget fails to reinvest in solutions needed by motorists.

**According to the AAA, Tuesday night's Budget announcements, which includes an estimated $54.4 billion worth of fuel excise revenue and $5.1 billion from luxury car tax and other tariffs, offers a declining proportion of reinvestment for those same motorists.**

AAA chief executive **Michael Bradley** says the $22 billion reinvestment into land transport infrastructure is noticeably down on previous Budget offerings in a time when motorists need it most.

# May 11

## Holden marketing boss takes on Australasian role

Holden New Zealand's general manager for marketing is following her boss and taking on a role with the Australian arm of the brand.

**Marnie Samphier has been appointed general manager, marketing strategy across both countries. Samphier will continue to live in New Zealand.**

She continues to be responsible for marketing in New Zealand, though a new marketing manager has been appointed.

## Autocare a success for industry and consumers

The Australian Automotive Aftermarket Association has declared the inaugural Autocare convention a successful one.

**In Sydney from May 4-5 last week, over 600 delegates attended the 50 plenary sessions, seminars and training workshops.**

The AAAA says 2000 professionals in automotive mechanical servicing, collision repair and parts supply filtered through the 100 stalls and trade stands which were a complete sell-out.

# May 14

## Cheapest fuel at independent retailers

Shell Coles Express is the highest-charging fuel retailer in the country, ahead of BP and Caltex.

**The cheapest fuel prices can be found at independent retailers like United, Puma and 7-Eleven, according to Australian Competition and Consumer Commission (ACCC) research.**

Woolworths-branded Caltex service stations are also generally among the cheapest.

## Australian transport gets dearer by the quarter

The Australian Automobile Association is alarmed at how expensive household transport has become.

**The average metropolitan Australian home is hit nearly $18,000 every year – an increase of $306 from Q4, 2017 – while regional households spend over $14,300 annually on transport.**

Increases in average weekly earnings have been made redundant by the percentage of income spent on transport rising to 14.3% for metro and 12.5% for regional/rural residents, on average.

# May 15

## Nissan Motorsport packs up Supercars support

Nissan Australia has announced it will cease factory competition in top-echelon Supercars racing at the end of 2018

**Nissan Motorsport joined V8 Supercars for the 2013 season with factory support of Kelly Racing which ended its illustrious relationship with Holden Motorsport.**

Kelly Racing endured unprecedented and scathing fan criticism at the time for siding with one of the most globally successful motorsport outfits over the local manufacturer.

## Dealer association urges 'practical and fair' code

The Australian Automotive Dealer Association is contribut-

**Continued on page 13**

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ing to the design of a mandatory system for the exchange of vehicle service information to independent repairers.

**The AADA has been in developmental discussions with assistant treasurer Michael Sukkar about the need to create an effective, safe and cost effective data access program.**

Features the AADA wants to see are common, uniform costs for all users whether a franchised dealer or independent repairer, and cyber security protocols that protect vehicle, emission and safety data with technical qualifications required for select staff.

## Banks and dealers hesitant to stop flex commissions?

Westpac and its dealership clients are reluctant to step away from "unethical" flex commissions despite banking royal commission findings, documents reveal.

**The Australian Securities and Investments Commission (ASIC) declared in September it would ban flex commissions from November 2018, however, lenders are still condoning the practice.**

New regulations will forbid dealers charging above base interest rates set by lenders.

## Ford dealers to service unlimited kilometre warranty

Authorised Ford Dealers will now service new Fords for up to five years and with an unlimited kilometre warranty.

**All new Fords delivered from May 1 will receive unlimited mileage warranty, to replace the company's previous three-year/100,000km factory guarantee.**

The aftersales extension adds to Ford Australia's popular "free loan car" service, "service price promise", and included SYNC 3 and SYNC 2 map updates for seven years and 12 months respectively, until September 2024.

# May 16

## Hydrogen economy Australia's next manufacturing chapter

Victorian employment and industry minister **Ben Carroll** says an economy promoting hydrogen fuel cell technology could reinvigorate Australian automotive manufacturing.

**Speaking at KPMG in Melbourne for a presentation hosted by Hydrogen Mobility Australia, the minister announced the Victorian government will support the foundations of a hydrogen economy and transport supply chain.**

"I'm very keen to see what we can do with our own government fleet to support this emerging sector and ensure it's strengthened," Carroll explains.

## AHG profits take hit over finance regulations

Automotive Holdings Group has recorded profit declines connected to more stringent finance and insurance product regulations.

**AHG has told investors half-yearly earnings have been below anticipated levels, partly due to new ASIC-enforced restrictions on flex commissions on vehicle loans, and other add-on finance products.**

AHG managing director **John McConnell** says the Australian Securities and Investments Commission's investigation into the vehicle financing market means the business, with 110 Australian and New Zealand dealerships, is reacting.

# May

## Lorbek partners with Koesnigsegg to sell Down Under

Lorbek Luxury Cars will be the Australian and New Zealand retailer for Swedish hypercar maker Koenigsegg.

**Australasian customers will be able to purchase the full range of the rare Koenigsegg vehicles including Regera, Agera RS and One:1 from the Port Melbourne showroom in Victoria.**

Lorbek's partnership with Koenigsegg will compete against factory supported retailer Zagame, with newly announced Pagani, Ferrari Australasia, Aston Martin, Rolls-Royce Motor Cars, Lamborghini, Maserati and McLaren franchises, in Richmond.

## Pope's Lamborghini sale proceeds for charity

Pope Francis has sold his donated Lamborghini Huracan for A$1.27 million, the proceeds going to four main charities.

**The successful bidder at RM Sotheby's auction on May 12 in Monaco, coinciding with its historic Grand Prix, was Spanish rental car agency Rent Car Deluxe.**

The firm intends donating future rental proceeds from the Lamborghini to charity as well, Bloomberg reports.

## BMW Group gets autonomous driving licence in China

BMW Group is the first international auto maker to obtain an autonomous driving road test licence in China.

**The Shanghai Intelligent Connected Autonomous Driving Test License marks a big step on the path to autonomous driving, BMW says.**

China is promoting autonomous driving as a part of boosting intelligent connected vehicles (ICVs) and its recent "smart city, smart China" initiative, giving China a vital role in BMW Group´s autonomous driving development project.

# May 18

## AP Eagers takes bigger slice in AHG

AP Eagers has increased its stake in rival car retail giant Automotive Holdings Group.

**As a result of the AHG share price drop this week, AP Eagers has bought $9 million worth of AHG stock, to a 25.8% slice of ownership.**

The West points to AHG's share price dropping to $3 each on Wednesday when AP Eagers swooped in. It can continue to buy up to 3% every six months under the Corporations Act.

## Apple AV to hit the road?

New documents reveal Apple might be about to test its autonomous vehicles on public roads in the United States.

**It has been granted state permits to operate 55 autonomous cars in California, *USA Today* reports.**

General Motors' Cruise Automotive has permits for 104 vehicles, Waymo – Google's self-driving car company – has 51 vehicles, while Tesla has 39 and Drive.ai 14.

# May 22

## Launch of new car dealership economic data tool

The Australian Automotive Dealer Association is launching its DealerNomics' economic data mapping tool in Canberra tonight.

**DealerNomics will be the new car dealer's resource for demonstrating to governments how much the business contributes to the local economy and community, as well as at a state and electorate level.**

Small and family business minister Craig Laundy will announce the DealerNomics resource at Parliament House tonight before automotive industry members.

## Brisbane dealership site sells for stellar figure

The site housing Audi Centre and Euromarque dealerships in Brisbane's Foritude Valley has been sold for an eye-watering $91 million.

**The CBD dealership fell just short of its anticipated $100 million figure and was bought by property developer and office management firm Dexus.**

Lambhill, a Gregory Willims-owned private company, sold the Audi Centre which contains four floors and includes Bentley and Maserati in 12,000

Continued on page 14

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square metres of showroom.

## May 24

### Under-staffed dealers looking overseas

Australian automotive dealerships are increasingly keeping an eye on overseas talent to fill workshop staff shortages.

**The Victorian Automobile Chamber of Commerce (VACC) is projecting there will be around 14,800 automotive repair and maintenance jobs short in 2018-19.**

With not enough apprentices entering the trade, dealers are looking elsewhere. The ABC reports one dealership, Lieschke Nissan in Walla Walla, New South Wales, is looking for mechanics in the Philippines and as far as Dubai.

### Carsales puts cyber safety on shopping list

Carsales has introduced a PrivacyProtect service which will ensure seller details are kept safe while trying to sell their car.

**Vendors who take out a PremiumPlus ad package will now be provided a virtual phone number for interested buyers to contact.**

PayProtect is another tool Carsales is offering buyer and seller customers, by enabling online transactions without having to deal with large sums of cash or bank cheques.

### Automakers respond to tax minimisation claims

Carmakers Ford and Holden have responded to claims the companies minimise the amount of tax they pay in Australia.

**According to Michael West research, General Motors Holden, Ford Australia, Mitsubishi Motors Australia and Nissan Motor Company Australia have paid little, if any tax in years and take up several top-40 rungs on its list of companies which pay little or no tax.**

GM Holden, which rates eighth on the list, has a three-yearly income of $10.35 billion which resulted in $0 of taxable income in the same period, according to independent business and finance investigation outlet **Michael West** (MW).

### Mixed bag of ANCAP ratings

Two Alfa Romeo models have picked up the highest Australasian New Car Assessment Programme ratings possible, while the Citroen C3 has fallen short.

**The Alfa Romeo Giulia, a mid-sized sedan, and Alfa Romeo Stelvio, a medium-sized SUV were awarded five stars, achieving the equal highest scores to date – 98% and 97% respectively – for adult occupation protection.**

"These are impressive scores which reflect the effort the brand has put into designing vehicles to keep occupants safe," says ANCAP chief executive **James Goodwin.**

## May 25

### Hamburg bans oil-burners

Diesel vehicles older than Euro 6 emissions standards will be banned from certain parts of Hamburg as of May 31.

**Cars and trucks with pre-2014 diesel engines and exhaust systems not Euro 6 compliant will be forbidden in a half-kilometre section of Max Brauer Allee toward Altona station, and trucks over 3.5 tonnes will be blocked from a 1.6km stretch of the "Stresemannstrasse" main road.**

Only about 116,000 Euro 6 diesel cars will be allowed in the exclusion zone out of Hamburg's approximate 330,000 total diesel passenger car population.

## THE DIARY

**AutoTalk New Zealand's** group editor Scott Morgan looks at the month gone by on **autotalk.co.nz**



## May 1

### Proposed import changes could "skew model range"

The potential introduction of "feebates" and tradeable credits could impact the type of vehicles that are brought into the country.

**The idea of "feebates", which would see gas guzzling vehicles hit with extra fees, while low or no emission vehicles like EVs would receive rebates, was raised in a Productivity Commission report.**

## May 10

### Mitsubishi dealers hit Vegas

Mitsubishi Motors NZ's seven top-performing 'Diamond Dealers' for 2018 were recognised at a ceremony in Las Vegas.

**Mitsubishi decided to reward its dealer network leaders with the Vegas trip after it smashed an ambitious target of 10,000 sales in a year to register 11,651 new vehicles.**

## May 18

### Budget has little impact on dealers

Billions of dollars were allocated in the Government's first budget, but there's little to indicate it will directly affect the dealers' bottom line, industry leaders say.

**Imported Motor Vehicle Industry Association chief executive David Vinsen says he hasn't seen anything of note in the budget that will impact dealers.**

## May 22

### Extension to alpha airbag sale ban denied

Consumer affairs minister **Kris Faafoi's** refusal to extend the ban on traders selling vehicles affected by the alpha Takata airbag recall could be "catastrophic" for some in the industry.

**The recall, which mainly affects used imports, means traders are banned from selling the vehicles after May 31, including trade-ins, unless they have been reworked.**

## May 24

### Mercedes-Benz locally testing new technology

Mercedes-Benz is locally testing its driver assistance technology, with a research and development vehicle making a stop in Wellington this week for an introduction to government officials.

**The specially-outfitted E-Class model has travelled over 15,000km across Australia and has already covered 5000km in New Zealand. It is in Wellington before crossing the Cook Strait to continue its testing in the South Island.**

## May 30

### Wheel thieves hit Hawke's Bay dealerships

Dealers in Hawke's Bay are being forced to fork out huge dollars after a spate of wheel thefts at yards across the region.

**Bruce Stuart of Mega Save Cars told Hawke's Bay Today his business has been targeted three times in the last two months.**

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# Family legacy lives on in the showroom

**Nicholas Tynan** is the 29-year-old sales manager at Tynan Motor Group in Kirawee, New South Wales, just a stone's throw from Botany Bay.

Today he runs the same, albeit greatly expanded, family dealership that his late grandfather Michael started 52 years ago. A similar storyline for many, but in no way the same.

Nicholas' grandfather was the first franchised Mazda dealership in Australia when he opened in 1966, the same year Australia's pounds, shillings and pence changed to dollars and cents, the Vietnam War broke out and Ford began its domination of Le Mans.

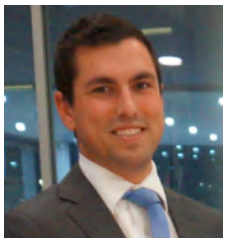
But just as important as the bricks and mortar and the growth of the business, Nicholas now carries on his grandfather's passionate community safety spirit. For Michael, this included dedicating his time to the NRMA, the 35 years to the local hospital, and the Sutherland Medical Research Foundation. He was also a campaigner for safety roads. Most of his work is now taken for granted.

**"He was always involved in safety initiatives like through the NRMA or organisations like ANCAP," Nicholas begins.**

"I remember he campaigned for safer school zones, helping the NRMA getting the colour of the school zone lights changed from yellow because he thought you couldn't see them properly."

"I remember he was campaigning to get alligator lines in all school zones in NSW; and the flashing lights at school crossings," he says.

The interesting part of speaking to Nicholas Tynan is the minimal fuss he makes about his granddad's work, which has now become his own work in the family's Kirawee, Nowra, Miranda and Woollongong dealerships in south-east NSW.


Nicholas Tynan

**As soon as he spotted the Australasian New Car Assessment Program (ANCAP) posting about its crashed-tested cars in dealerships campaign, Nicholas immediately expressed interest.**

"I didn't know much about ANCAP myself, then I followed them on social media and saw a crash tested car on the back of a tow truck and said 'This is awesome, I want one in my dealership'," he explains.

"I jumped at it because it's not often people get to see a five-star crashed car up close.

"We can show people all the brochures and pics and videos in the world, but being able to physically touch it and see it right in front of you, with the dye on dummie's faces, the doors open, the airbags, all the damage – it shows we have confidence in the car to protect people."

It's a point that flows from Nicholas with greater ease than talking up his grandad's 'legacy', a word he says he hadn't given much thought to, and probably still doesn't.

**Typical of a selfless advocate for others, he's clearly taken time to consider the benefits of injecting a consciousness for safety into the conversation between sales and the customer.**

"Nobody wants to be around a car crash, but in that event you want to know it's got everything it needs to keep you safe - it's a level playing field for manufacturers to come together and make safe vehicles for customers," Nicholas says.

It's this sentiment which saw Nicholas pitch the idea to dealer management, with the marketing green light, and the all-important manufacturer support from Hyundai.

"It's the knock-on effect where a customer can see other vehicles which share a five-star rating and date stamp with other models besides the Kona," he says.

"We're a multi-franchised dealership and lots of people come for those brands, so for Mitsubishi or Suzuki they also have a lot of five-star cars which customers can look at. It's the same at our Subaru, Honda, Kia site, Mercedes-Benz down the road in Miranda, or in Woollongong," Nicholas continues.

It's evident he takes a genuine caring stake in his customers' safety, particularly those people who don't feel safe getting out of their old car.

**"ANCAP encourages us to leave the doors open, let people get in and out – because that's part of the safety design, there's no real severe internal damage even though the front is obviously smashed.**

"A lot of older people have this mentality these cars get hit once and they're written off, but they're designed so they can take that damage and exert the pressures of an accident into the car and do its job of saving you," Nicholas says.

"A lot of people might get upset when their car is written off for hitting a small tree, but don't realise how lucky they are."

"Cars from the 90s were getting

**Continued on page 16**

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obliterated at the same speeds of today where you get out with a stiff neck and can check everyone's okay. That was a big wake up-call for me," he says.

It was the same wake-up call his grandad has some 10-or-more years ago when Nicholas was first getting his ticket to freedom behind the wheel.



Michael Tynan

**"He was always very apprehensive of me getting my licence and heading out on the road; he sent me to an NRMA defensive driving course."**

Even around the mid-2000s Nicholas was aware of safety technology in the vehicles around him.

"The technology of cars these days is dramatically different to the cars of old and that's because of the likes of ANCAP. I remember when I started, ESC had just come out and forward collision warning started coming out in Mercedes Benzes, and now you can get it on a Kona for $26,990," he says.

"It's changed people's perspective."

Perspective was no-doubt something Michael Tynan worked hard to change in his years campaigning for safer roads and vehicles, which Nicholas has either inherited or observably studied in his grandad.

**"Hyundai is very much an entry-level, affordable brand for people, and they often consider price over safety.**

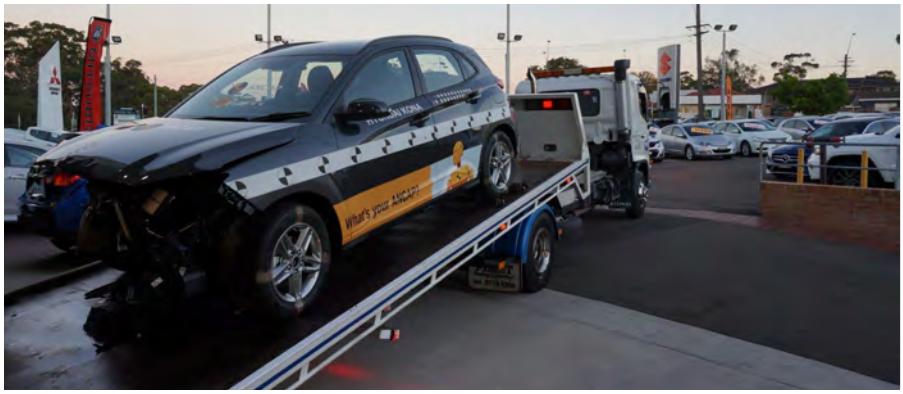
"A lot of people ask if the car comes with sat-nav and safety gets put on the back burner – sometimes it's easy to forget a car is built in certain places and may not come with the safety features you should have," he elaborates.

"This will help change that. I believe there's a shift in the marketplace in regards to safety; people used to be very price conscious on our products."

The Kona is one such product which, selling around 15 per month in such a short time, Nicholas is confident it will be helped at a business level by presenting a crash-tested version on the showroom floor.

"We had sales people from our Subaru dealership walk up to see the crashed Kona because they'd never seen a crashed car for a start," he says. "But it's a credible source, you can say, 'This car crashed into a solid object at 60-something km/h – jump in and notice you can jump out again – this is the car you're about to buy'."

facturers shy away from these sorts of subjects and government-backed organisations can be slow to change things, but both have been really supportive."



*Tynan Motors will continue to put safety in front of customers*

But Nicholas isn't stopping there, not with multiple brands in multiple places and a new customer-base to carry the safety message to.

**"We've told ANCAP we're definitely interested in having other franchises take part, it would be an awesome opportunity to show consumers of every brand what happens in a five-star car crash," he says, already eyeing the next one.**

"We've had discussions and are keen to get the new Suzuki Swift crash-test car into the showroom; I thought I'd have to put barricades around it but it's all been sorted, it's safe, all tidied up and it's interactive."

Nicholas says it's helpful having the right brands and an open management team in the dealership – which includes his uncle, his brother and even his mum – plus with 600 staff in the whole dealer group, the safety message now reaches far and wide into the community.

"I floated the idea with the marketing department who were supportive straight away, my general manager and now CEO were extremely excited, and there were three or four reps from Hyundai at ANCAP when we visited and they were 100% behind it," he says.

"Everyone's keen for this to happen."

**"Hyundai's one of the best manufacturers in the world, coming forward in leaps and bounds and they have the right to show-off how good their cars are," he says.**

"Normally big manu-

With both customers' safety and the security of the family business going hand-in-hand, Nicholas certainly doesn't sound like the stereotypical generation-Y, plugged into only himself.

"It gives us a massive point of difference over another dealership and brand – what other brand would want a crash-tested car in their showroom? How much confidence does that show? It's a win-win for everybody," he says.

**"I showed a customer just this weekend exactly what the Kona looks like in crash testing and he said, 'Wow, that's great'."**

Nicholas says the concept of carrying a family flame might be somewhat overstated for something he describes as an "awesome idea", but it's clear he still thinks from time to time about what his grandad might have thought.

"He was always about newer, safer roads; I've always been around cars and when the ANCAP opportunity came up I thought all my Christmases had come at once."

"He was someone I looked up to a fair bit; 'Legacy' might be a bit heavy for my shoulders at this stage," he laughs, "But he was always campaigning." ■

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# Mega May sales topple average April

May's 100,000-plus new vehicle sales have trampled on the "average April" sales of just circa-82,000.

**Australia's 1500 franchised dealers helped manufacturers sell 2.1% more vehicles in the first five months of 2018 over the same year-to-date period in 2017 - currently at 475,222 versus 465,381 last year, according to VFACTS data provided by the Federal Chamber of Automotive Industries.**

SUVs had a hand in pumping May 2018 sales up 8.4%.

Small SUVs were 36.1% better with 12,053 sales over May 2017, likewise medium SUVs jumped 5.1% with 18,000 sales, plus 4x4 and cab-chassis utes up 15,004 sales.

May 2018 sales figures of 100,754 are just 2147 sales off the May 2017 record of 102,901.

**Toyota** with 19,571 sales, including the Hilux with 4385, remain top of their respective brand and model heaps; with **Mazda** retaining second-highest selling marque and **Hyundai** third, carrying over from April, with 9403 and 8807 May sales respectively.

Fourth-placed **Mitsubishi** (up 6.9%), fifth-placed **Ford** (up 5.7%) and sixth-placed **Holden** (up 5.1%) refused to budge from their respective placings in April, although with much-improved sales figures.

It was a four-way arm wrestle between **Kia** in seventh, **Volkswagen** eighth, **Nissan** ninth and **Honda** taking 10th.

Behind the **Hilux**, Ford's **Ranger** keeps its second-highest selling model above usual company in the **Corolla** (third), **Hyundai i30** (fourth), **Mazda 3** (fifth), Toyota **LandCruiser** (sixth), **Mazda CX-5** (seventh), Toyota **Rav4** (eighth), Mitsubishi **ASX** holding ninth and stablemate **Triton** snatching a top 10 finish from Toyota's **Prado** in April.

**New South Wales** rocketed away from last month's 26,986 sales slump, cracking 32,523, but still 5.9% down on the same month last year. Victoria was in similar form, down 3.3% on last year with 28,104 May 2018 sales, but still 4334 better than April.

**Queensland** was a massive 4522 sales better-off than last month's 16,621 sales by scratching out 21,143 sales, and a 2.3% increase over May 2017, while **WA** managed a 1365-sale improvement thanks to 8484 sales versus last month's 7119 (4% better than May 2017).

**South Australia** was 961 sales up on April, courtesy of 6087 sales versus 5126, but drooped slightly by 0.8% against May 2017's 6133 sales.

**Tassie** dealers did very well over May 2017, achieving 1657 sales compared with 1540 last year - that's a 7.6% improvement for the Apple Isle. The **ACT** deserves similar praise for the 4.4% increase over May 2017, with 1568 May 2018 sales versus 1502.

The **Northern Territory** was down 6.9% with 1188 compared with 1276 last year.

FCAI chief executive **Tony Weber** says it's a positive May result after a tricky April.

"There is clearly consumer confidence in the market, as evidenced by seven months of record sales in the past 12 months," he explains.

**"In the past 12 calendar months there has been almost 1.2 million new vehicles delivered to customers, which is a remarkable achievement.**

"The market is continuing to hold up well year to date, with the past two months of falls offset by the gains recorded in the first quarter," Weber adds.



*Toyota sold 3080 LandCruisers and Prados in May making it the top-selling 'SUV' once again.*

## Top 10 Brands



1. Toyota 88,683



2. Mazda 46,875



3. Hyundai 39,507



4. Mitsubishi 33,639



# Shot through the kart

*BY SCOTT MURRAY*

There is no rational, clinical reason for anybody to buy a Mazda MX-5, let alone the antagonistic, always-motivated, super-simple GT RF version.

**I couldn't fully appreciate the character of the RF without the help of an old friend Dean, who, not only owned and was in love with his NC MX-5 for many years, but also spends more on go-karting than is rational or sensible. But nobody go-karts for these reasons, do they?**

It's evident why Mazda dealers have sold 58 variously-trimmed MX-5s in May alone, and in my week with one, it's fair to say it has nothing to do with what Mazda calls "the sensation of Jinba-ittai" - the notion of a rider and horse as one.

Firstly, it's because customers don't walk into a Mazda dealership expecting to have an emotional, spiritual connection to the MX-5 they've bought five times over in their own head – it's because come crunch-time, they can have it at such a reasonable price compared to what others pay for more upmarket badges. Otherwise they wouldn't even be considering one. It's a case of dreaming about a Porsche versus actually having an MX-5.

From the instant you open the door you're too busy trying to figure out how to get in to think emotionally. Saddling down is a challenge for those over 155cm, which will empower the short and entertain the tall. Anyone like six-foot Dean who recently sold his NC will recall – getting into an ND RF GT is still a special occasion.

**Which brings me to the next core reason you're one of the 58 lucky buggers who took one home last month – because driving this thing is a spine tingling event, literally, triggering a rush of messages up and down your mesolimbic pathway, the brain stem, as you set off, immediately aware of your backside being 135mm off the asphalt.**

Things rush by you, decisions are made with little or zero hesitation, you pick your line, gear and moment-in-traffic and you're rewarded with the same kick of dopamine and the snug pull of inertia which drew people to Mini Coopers, anything with a Lotus badge or even the original NA MX-5.

There's something joyfully efficient about a two-seat sports car that starts at $33,500 and can deliver all the mindfulness of a yoga class, the reward of weight-lifting and the cognitive acuity of a skilled carpenter without the cost, strain or callouses of those activities.

Hence those 58 buyers had already bought their MX-5 multiple times over in their own head, laying in bed, distracted at the dinner table, or eyeing someone else's in traffic - knowing how good it would be to feel every single one of the 2.0-litre RF engine's 118kW and 200Nm in use to pelt its 3.9-metre length and paper-light 1106 kilos up the road.

**On *AutoTalk Australia's* unofficial, not-that-special and relatively short road loop around the twisty hills of Donvale, Park Orchards and beyond, this little machine does for the modern motorist what chrome-bumpered classics continue to do for their owners, stuck in the nostalgia of their vintage.**

My mate Dean didn't shut-up about how much he loved the ND RF GT (even in his brief ride), because it does what his old NC did for him. It's not about the comically small boot fit for a load of bread, or the knees touching the door-trim, or even the frighteningly low front lip spoiler. It's about what 103.7 W/kg does to P205/45R17 tyres at 70 on a back road



with Aussie-honed suspension.

The RF gives the ordinary driver, whose salary doesn't stretch off the page, a taste of what fun can be had with what they can afford, and afford to aspire to have. It's that rush of dopamine, the joy of achievement, without an elitist attitude or a ticket into Club Snob.

**It's G-force in the sales bin, an apex eater that always takes a cut lunch, a go-kart for the people, that you can take your actual mates in and talk about with them afterwards.** ■

## Top 10 Brands *continued*




5. Ford 28,951



6. Holden 25,229




7. Kia 24,281



8. Volkswagen 23,135




9. Nissan 23,123



10. Honda 22,288

# 2018 sales in May

## Top 10 medium SUVs, over-$70k



**1. Mercedes-Benz GLC-Class 559**



2. BMW X3 522



3. Lexus NX 383



4. Audi Q5 381



5. Volvo XC60 237



6. Land Rover Discovery Sport 220



7. BMW X4 165



8. Porsche Macan 155



9. Range Rover Velar 120



10. Range Rover Evoque 83

## Top 4X2 Pick-up/Cab-chassis



**1. Toyota Hilux 4X2 1200**



2. Ford Ranger 4X2 498



3. Isuzu Ute D-Max 4X2 452



4. Mazda BT-50 4X2 428



5. Nissan Navara 4X2 261



6. Mitsubishi Triton 4X2 243



7. Holden Colorado 4X2 208



8. Great Wall Steed 4X2 29



9. Holden Utility 4X2 36



10. Volkswagen Amarok 4X2 26

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*The portable EV chargers comes in a three-piece kit.*

# Portable EV charger launched

Range anxiety should diminish now that a portable electric vehicle charger is available.

The new recharge system carried by a roadside rescue service can recharge a stranded EV with a depleted battery for about 10-15 minutes so the EV can reach a nearby charging station.

**Previously, an EV which ran out of juice usually had to be put on a tow truck**.

A feature of the Mobile Electric Vehicle Service Equipment (MEVSE) is that its lithium iron phosphate 48-volt battery pack can be recharged from the standard rescue vehicle's on-board existing 12 volt charging system.

The unit, which can be independent of any specific type of delivery vehicle, has been developed by South Australian company Gelcoservices, in conjunction with Club Logistics Services - an Australian-owned company based in The Netherlands.

The two companies say the portable system's on-board recharge feature is a world first and offers the rescue organisation full flexibility as the recovery vehicle does not have to return to base to recharge the 48-volt pack.

The MEVSE can provide sufficient "self-recovery" energy for three broken-down EVs in a normal working day.

GELCOservices
Automotive Industry Consultants

**It has four main components - the 48-volt battery pack, its on-board charging and management system, the Inverter system – rated to 10kW at 240VAC, and the EVSE delivery and BEV charge control system.**

Use of the lithium battery cells as the power source means no engines or generators running, no effective emissions while the energy transfer is happening and no noise, Gelcoservices says.

The unit is built in three cassettes, allowing the kit to be easily handled and for easy placement of modules within the service vehicle using robust tie-down fixtures.

**It's ideal for EV recovery in confined or underground car parks and safe to operate in extreme weather, the company says.**

Global distributor company Club Logistics Services has had strong sales of the portable pack in Europe and the US, also selling them in Australia, Ireland, Luxemburg, Belgium, The Netherlands, France, Russia and other European countries.

Gelcoservices is an Adelaide based automotive industry technical consulting firm, specialising in electrochemical engineering, particularly related to the testing of automotive batteries, EV charge systems and infrastructure for battery and energy storage.

**Visit *www.gelcoservices.com.au* for more information.**

# Drafting of AV driving laws starts

Ministers have begun drafting laws that will govern autonomous vehicles (AVs) on Australian roads.

**The National Transport Commission has announced national laws will be in place by 2020, ensuring a "legal entity" is responsible for the actions of AVs.**

The new laws are guided by the NTC's 2017-18 consultation paper, which chief executive **Paul Retter** says will give manufacturers and operators reassurance in trialling vehicle systems in Australia.



*Paul Retter*

"Without a change to existing laws or new law, there would be no-one to hold responsible for compliance with our road rules when an automated driving system is in control of a vehicle," he says.

"With automated vehicles, there will be times when an 'automated driving system', rather than a human, will be in control of the vehicle," Retter explains.

"We need a nationally consistent law to know who is in control of a motor vehicle at any point in time."

**NTC says transport ministers have agreed to a purpose-built legal framework and a "uniformed approach across all states and territories" when it comes to overseeing the liability of AV systems.**

"This is a considerable change to national road transport laws, to support the significant changes we see coming in transport technology," Retter adds.

At this stage, proposed safety criteria for self-certification by manufacturers and other organisations will require a 'Statement of Compliance' with 11 points of consideration.



*New laws are coming for AVs.*

Those points include a "human machine interface", "cybersecurity", and "on-road behavioural competency".

**Submissions on the Safety Assurance for Automated Driving Systems: Consultation Regulation Impact Statement close on July 9.**

# Posties go electric

Australia Post is switching to electric delivery vehicles.

It's starting with two-wheelers and a three-wheeled scooter which can carry three times more letters and parcels than a regular postie motorbike.

The company, which held several small-scale trials of Renault electric delivery vans, has announced its first Environmental Action Plan for 2018-20.

**It aims for a 25% reduction of greenhouse gas emissions by 2020, based on 2000 levels.**

Australia Post has been trialling the Swiss three-wheeled electric delivery vehicles (EDVs) across the country, starting with five vehicles in Hobart in March 2017.

In an email to *RenewEconomy*, Australia Post confirms more than 100 of the EDVs will be out doing mail runs around the country by the end of the month, as well as more than 1000 electric bikes.

**The Swiss EDVs are made by Kyburz and used by postal services in various European countries.**

It can reach up to 45km/h, has a range of up to nine hours per full charge and can carry 195kg, or up to 100 small parcels and 1200 letters at a time.

Storage compartments lock automatically when the vehicle is switched off.

More than 100 are now in the postal fleet, and they don't need an exemption to use footpaths.

The plan outlines how it is reducing emissions through electric and fuel-efficient transport options.



*Posties are using electric trikes, known as EDVs.*

**"Many posties have chosen to swap their motorbikes for push bikes and electric bikes over the last few years," the report says.**

"The electric mail bikes provided by eVehicle Service (EVS) allow posties to cover up to 35km in a day and reach 1000 delivery points.".

# Brisbane to host 17th Asia Pacific ITS Forum

Brisbane will host the 17th Intelligent Transport Systems Asia Pacific Forum in May 2020.

The announcement came during the recent ITS Asia Pacific Forum in Fukuoka, Japan.



*Mark Bailey.*

"Queensland is at the forefront of developing and deploying ITS technologies, particularly in the area of cooperative and automated vehicles, and I am delighted the forum will be held in Brisbane in 2020," transport and main roads minister **Mark Bailey** says.

"It is an exciting era for ITS and the ITS Asia Pacific Forum provides an opportunity to bring the industry together to share how far we have come, and prepare for the journey ahead.

**"As the location for the largest trial of Cooperative-ITS in Australia, with public deployment due in late 2019, the best way to understand how we do ITS in Queensland is to come experience it for yourself."**

Australia's ambassador to Japan, **Richard Court**, who co-presented Brisbane's bid to the ITS Asia Pacific board of directors, says more than 1000 delegates are expected at the 2020 forum in the Brisbane Convention and Exhibition Centre.



*Richard Court.*

"Our industry resources will collaborate with our international peers to produce a

**Continued on page 23**

# Airbus solar drone's world-first trial in WA



*The solar-powered drones can operate more than 20km up.*

Airbus says it will establish its innovative Zephyr solar-powered unmanned aircraft at Wyndham airfield in Western Australia.

**Wyndham will be the world's first operational site for the launch and recovery of the class of drones known as High Altitude Pseudo Satellites (HAPS).**

"This is a major coup for Western Australia," premier **Mark McGowan** says.

He says the Government has been working with Airbus since February to support the implementation of Airbus Defence and Space's HAPS program at Wyndham Airport.

In March, the premier and defence issues minister **Paul Papalia** visited Airbus at Farnborough, while in the United Kingdom, to be briefed on the Airbus proposal and provide State Government support.

The Zephyr HAPS project is a solar-powered aerial platform that flies at more than 20km up to provide a range of earth observation services and communications connectivity for people in remote areas, including for civil, military or humanitarian purposes.



*Mark McGowan.*

**Airbus will begin flights in the second half of this year.**

The choice of Wyndham because of the largely unrestricted airspace and reliable weather, together with the strong support provided by the Western Australian Government, provides both a job creation opportunity in the east Kimberley and a technology advancement opportunity for Western Australia, and Australia, more generally, McGowan says.

**"Our local economy will benefit from this decision, with up to 20 Airbus staff also earmarked to be based in the local area during operational phases.**

"The technically advanced nature of the project will also help build Western Australia's profile in the aerospace, defence and innovation spaces."



*The unmanned aircraft will operate from Wyndham, WA.*

# Actress urges sustainability

Academy-award nominated actress **Margot Robbie** uses her love of surfing to inspire people to live more sustainable lives in her latest promotion for Nissan.

As Nissan's electric vehicle and sustainability ambassador, the Australian actress, producer and businesswoman has composed an open letter to encourage people to make more sustainable energy choices.

Robbie, who performed the surfing sequence herself, is seen enjoying the early morning waves as she talks of creating a "better world for ourselves and everyone who comes after us".

**With off-shore wind farms and solar panels accounting for two-thirds of new power added to the world's grid in 2016, Robbie says "we all have the power to make a change".**

Talking about the film, Robbie says: "I hope I can play a small role in inspiring people across the globe to explore alternative forms of energy and make the switch to drive a better future for everyone. The point is, we can all make a difference and we don't need to wait for others to do it for us."

Nissan Europe electric vehicle director **Gareth Dunsmore** says Nissan is committed to pioneering a future which empowers consumers to make the right choices in how they use and store energy.

"Our Leaf and e-NV200 models are not only cleaner drives, they become mobile energy units too – the used batteries from these vehicles are put to good use as part of our xStorage energy storage solution which provides power to homes and even football stadiums across the world," he says.

Robbie recently helped Nissan unveil its new Formula E car at an event in Los Angeles, to celebrate an exciting era for Nissan as it prepares to enter the ABB FIA Formula E Championship in the 2018/19 season.




*Margot Robbie.*

The move will benefit all drivers – as Nissan has committed to taking lessons learned on the track into future commercial EV development.

**Nissan's global EV sales jumped 28% in the last fiscal year, the Leaf confirming its position as the world's best-selling EV.**

# Giving birth to hydrogen economy

**Continued from page 9**

industry to focus on how the delivery of hydrogen can be completely zero carbon, and transition away from fossil fuel sources, delivering at a competitive cost."

ITM Power managing director **Neil Thompson** says Australia has the ability to go full-hydrogen and fix our energy security problem of only weeks' worth of national fuel supply.

**"My colleagues internationally are amazed at the limited days fuel supply here in Australia," he says. "We have a lot of opportunities to ensure a future energy supply and stability."**

"We're looking at opportunities for local supply chain collaboration with hydrogen, including transitioning the gas network to decarbonise."

ITM Power, a British manufacturer, currently has 13 hydrogen stations operational and under construction in the UK and says Australia is ready to follow suit.

"It has to happen. The Germans are leading the charge, followed by our UK market, Japan, Singapore, South Korea and California of course – and then there's China's pollution problems," Thompson says.

"The fleet experience with Toyota, Hyundai and Honda is crucial, and the cost aspirations are to make it as affordable as a regular tank of fuel for consumers."



*L-R: Simon Corbell, Renewable Energy Advocate, and Dr Neil* **Thompson, ITM Power managing director.**

# Nissan sustainability plan includes electrics



The newly launched Nissan Sustainability 2022 plan aims to reduce the company's environmental impact, strengthen diversity and inclusion, and enhance governance.

That's in line with the company's mid-term plan, Nissan M.O.V.E. to 2022.

**A key target is decreasing CO2 emissions from new vehicles by 40% from year 2000 levels, achieved partly by increasing vehicle electrification.**

The market leader in battery electric vehicles aims for annual sales of one million vehicles that are all-electric or have electrified powertrains by the end of FY2022.

This is the first time Nissan has announced a comprehensive sustainability plan, which pulls together all aspects of its environmental, social and governance initiatives into a unified approach.

The plan is anchored by the company's ongoing Nissan Green Program, launched in 2001 with a long-term vision towards 2050.

Nissan Sustainability 2022 will ensure the company is on track to deliver on these goals as it approaches the halfway point.

"We believe sustainable mobility will help achieve a world with zero emissions and zero fatalities," Nissan senior vice-president and chief sustainability officer **Hitoshi Kawaguchi** says.

"Our plan, further enhanced by our efforts to be a truly diverse and inclusive company, will make an important contribution to that effort."

Nissan will also foster deployment of vehicle-to-everything (V2X) systems globally for improved energy management.

It will reduce use of new materials to 70%, achieved partly by promoting reuse and recycling of lithium-ion batteries.

**Another aim is to increase the proportion of female managers globally by April 2023, partly through remote working and flexitime policies.**

More consistent compliance management and controls will be put in place. These include appointing independent, fully dedicated regional compliance officers.

The fourth generation of the Nissan Green Program will be a key element of the sustainability plan, focused on addressing climate change, resource dependency, air quality and water scarcity.

# Brisbane to host 17th Asia Pacific ITS Forum

**Continued from page 21**

strong ITSAP2020 program to help move the industry forward locally, in Asia Pacific and globally," Court says.

**"Australia is a world leader in transport technologies, with all states and territories conducting rural and urban, on and off-road initiatives to ensure people and freight can move safely, efficiently and with a level of environmental sustainability."**

Tourism industry development minister **Kate Jones** says such business events are vital to Queensland's tourism industry, attracting visitors and promoting destinations.

Brisbane City Council lord mayor **Graham Quirk** says business events generated more than $257 million for the city's economy during the last financial year.

ITS Australia president **Dean Zabrieszach** says his organisation has enjoyed relationships with its Asia Pacific colleagues for more than 25 years.



*Dean Zabrieszach.*

"ITS Australia organised the successful 2016 ITS World Congress in Melbourne," he says. "Building on that experience, and with the collaboration of our international friends, Brisbane will host ITSAP2020 to help all cities and communities become more liveable."

# Tesla and Australian firm strike lithium deal

Kidman Resources will supply electric car maker Tesla with lithium hydroxide from a refinery south of Perth.

**The breakthrough deal includes plans to build in a partnership with New-York Stock Exchange-listed Sociedad Quimica Y Minera (SQM), the Australian Financial Review reports.**

Kidman says the agreement with Elon Musk's Tesla endorsed its strategy to become an integrated supplier of battery-grade refined lithium.

The three-year off-take deal is the first of its kind between Tesla and an Australian company. The terms are fixed-price and take-or-pay, with other details confidential.

Tesla expects to buy about 5000 tonnes a year of lithium hydroxide.

**Kidman says this represents less than 25% of its portion of initial nameplate production (44,000 tonnes annually) for the first three years of operation of a refinery planned at a 76-hectare site in Kwinana.**

Western Australia Lithium, Kidman's 50-50 joint venture with SQM, is due to release a feasibility study on building the refinery later this year, which the *Australian Financial Review* estimates could mean a more than $850 million investment.

Kidman chief executive **Martin Donohue** sees the Tesla agreement as a milestone.

"It further validates our strategy of being an ASX-listed manufacturer of battery-grade refined lithium," he says. "The agreement enhances Kidman's post-refinery-commissioning cash flow profile.

"We are pleased to have entered into our first off-take contract and continue to explore the potential for further off-take arrangements with other strategic, globally significant parties."

Speaking at the unveiling of the Kwinana refinery site earlier this month, SQM head **Patricio de Solminihac** says demand from electric vehicle manufacturers and battery markets will comfortably soak-up the output from at least four lithium processing plants in the pipeline in WA.

**Chinese company Tianqi is spending $860 million on a 48,000 tonnes a year lithium hydroxide plant at Kwinana in WA and US-based Albemarle – Tianqi's partner in the Talsion lithium mine at Greenbushes – is eyeing a similar-sized facility about 150km further south at Kemerton.**

Mineral Resources is finalising a pre-feasibility study on construction of a 50,000 to 100,000 tonnes annually lithium carbonate or hydroxide plant at its Wodgina mine near Port Hedland in the Pilbara.

# Australia 'seven years' behind on EVs

Australia is "about seven years" behind global uptake of electric vehicles, Electric Vehicle Council chief executive **Behyad Jafari** says.

A new report by *Bloomberg New Energy Finance* estimates worldwide demand for electric vehicles would rise to almost 1.6 million in 2018, up 45% from a year ago.



*Behyad Jafari*

The consultancy predicts global sales "to explode in the late 2020s as the technology establishes a cost advantage over internal combustion engine car," reaching 30 million by 2030, *The Sydney Morning Herald* reports

The proportion of sales comprising plug-in electric cars in Australia last year was about 0.2% or about 2400, compared with just under 2%globally.

China, the biggest auto market, had EV sales of between 3-4%, and the US was just under 2% last year, **Ali Asghar**, a Sydney-based senior BNEF associate told *Fairfax Media*.

"Up to now, there's no government support for the uptake EVs," Asghar says.

**The Electric Vehicle Council's Jafari says government action is critical because the benefits of transitioning to EVs are societal, so it can't be left to the industry alone.**

He says poor EV sales mean Australia is "seven years behind" developed world up-take of such cars.

Federal environment and energy minister **Josh Frydenberg** expects a million EVS on Australian roads by 2030.

*Bloomberg* estimates EVs will account for 28% of new cars sales by 2030 compared with 44% in continental Europe, 41% in China, and 35% in the US.

**Australia can benefit in the mining sector as battery makers move to source high-purity nickel, copper, cobalt and lithium.**

Use of the materials in battery packs is forecast to rise 42, 31, 19 and 29 times, respectively, by 2030, creating a $US75 billion ($99 billion) market in that year alone, *Bloomberg* estimates.

Jafari says with only a tiny EV market, manufacturers had one less reason to set up shop here.

**"The options for Australia are to sit on our hands and try to make money out of another mining boom, or actually try to create a whole new economy out of these advantages," he says.**

"It's an opportunity that we have to be careful to not let slip away."

# Policy certainty sought after bumper year for renewables

Sixteen large-scale renewable energy projects were completed last year, the Clean Energy Council (CEC) says.

They included the world's largest lithium ion battery completed in 2017 in South Australia - the Hornsdale Power Reserve built by Tesla.

**But the council says the national emissions target is too low and it seeks policy certainty in 2018 to encourage more projects.**

These can help with electric vehicle uptake.

While 2017 was a record year on many fronts for the renewable energy industry, it is just a glimpse of the unprecedented level of activity expected in the next couple of years, CEC chief executive **Kane Thornton** says, launching the Clean Energy Australia Report on May 30.

Thornton says the 1.1gW of new rooftop solar capacity last year was the most in Australian history, eclipsing the previous record in 2012. And the 16 large-scale renewable energy projects completed during the year added 700mW of new generation to the mix.

"Perhaps most significantly, the large-scale renewable projects either under construction or which had attracted finance add up to more than seven times the amount of work completed in 2017. These 50 projects add up to 5300mW of new capacity and 5750 direct jobs," he says.

"There are now enough projects in the system to meet the 2020 Renewable Energy Target (RET). Given we were only about halfway to the large-scale target at the beginning of 2017, it shows the remarkable level of deal-making and project activity during the year. However, it also shows that long-term bipartisan policy has been critical for investment in the energy sector, and that policy certainty beyond 2020 is becoming increasingly urgent."

**One of the changes from previous years is that hydro generation was significantly down in 2017 compared to prior years, mostly because of reduced rainfall in key catchment areas.**

While the hydro drop was mostly offset by a rise in other kinds of renewable energy generation, the overall percentage of clean energy in the national mix dipped slightly from 17.3% to 17%.

**"The large number of projects which will come online over the next few years is predicted to reduce power prices by an average of 6.2%," Thornton says.**

"With the 2020 target now in hand, the whole energy sector is looking for policy certainty that will enable it to continue to invest far beyond 2020.

"The development of the National Energy Guarantee seems to be heading in the right direction, but the level of emissions reduction currently planned under the policy is unlikely to encourage the new renewable energy to continue to drive down power prices as our old coal power plants continue to close."

# Tesla expanding Australian supercharger network

Tesla has 20 superchargers and plans to add 18 more across its Australian network during the next 18 months.

Supercharger expansion plans for Australia have been announced as part of a global roll-out. About 10,000 superchargers worldwide are said to be coming soon, mainly in Europe, China and the US.

The superchargers provide a half charge in 30 minutes, allowing for easy long-distance travel.

**Timing and exact location may vary, but clicking on the Tesla map's grey icons provides some details.**

With the first 20 supercharger sites connecting Adelaide through to Brisbane on the major highways, the new sites will enable Tesla travel along popular holiday routes and also provide more metropolitan charging, the company says.

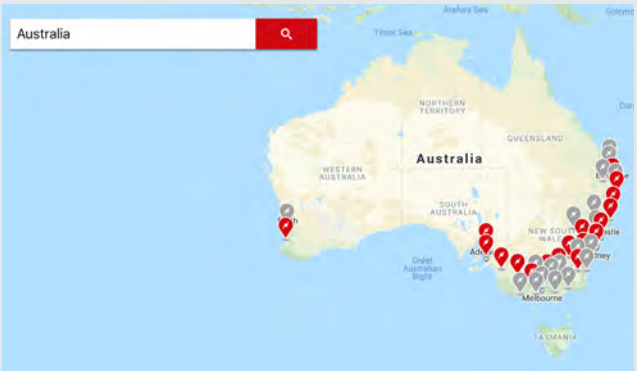
One is being added in Perth, doubling its superchargers.

The growth of the supercharger network is complemented by the expansive destination charging network. This uses Tesla's high-power wall connector installed in more than 500 destinations nationally, including hotels, resorts, shopping centres and secure parking locations.

Although road trips are being rediscovered by Tesla owners, the convenience of charging at home accounts for most of a Tesla owner's refuelling.

Supplied wall connectors for Tesla owners in Australia and custom electricity plans such as $1 electric car plan from AGL, add major cost savings when compared to an internal combustion vehicle, with unlimited kilometres costing $365 for the year, Tesla says.

**With the introduction of workplace charging, that convenience extends to those who live in an apartment, have no off-street parking or who utilise a work fleet vehicle.**




*Installed superchargers are shown in red with 18 more planned in grey.*

## EV TALK DIARY

**EVtalk Australia** editor Geoff Dobson looks at the month gone by on **www.evtalk.com.au**



# May 2

## ACE-EV launch at Inverell Electric Vehicle Expo

Australia's first all-electric commercial light ute and van produced by ACE-EV will have an official "soft" launch at the Inverell Electric Vehicle Expo on May 4-6.

**The inaugural event at the National Transport Museum in New South Wales brings together leaders and enthusiasts in the electric vehicle world.**

The expo aims to demonstrate advancements in EVs, including presentations from electric vehicle manufacturers and distributors.

# May 4

## Australia needs to lift its EV game: Jaguar

British car maker Jaguar Land Rover has called on the Australian government to "do its bit" in driving electric vehicle uptake.

**Otherwise there's a risk putting the nation even further behind the global pace, while also missing a major economic and environmental opportunity, RenewEconomy reports**

"As one of the world's leading vehicle manufacturers, Jaguar Land Rover (JLR) is calling on the Australian government to provide a unified and clear road ahead for the industry to follow," the company says.

# May 8

## Actress urges sustainability

Academy-award nominated actress **Margot Robbie** uses her love of surfing to inspire people to live more sustainable lives in her latest film for Nissan.

**As Nissan's electric vehicle and sustainability ambassador, the Australian actress, producer and businesswoman has composed an open letter to encourage people to make more sustainable energy choices.**

Robbie, who performed the surfing sequence herself, is seen enjoying the early morning waves as she talks of creating a "better world for ourselves and everyone who comes after us."

# May 9

## Nothing in budget for EVs, but progress continues

The latest Federal Budget has nothing for electric vehicles, but progress is being made.

**That's the view of Electric Vehicle Council chief executive officer Behyad Jafari.**

While he believes Australia is at risk of missing the boat on EVs, Jafari says the council is working with the federal government to address issues around EVs.

# May 11

## Australia's first EV how-to guide

Australia's first guide to installing EV chargers for property owners, planners and developers has been released in Queensland.

**Electric vehicle ownership is gaining momentum, and residential and commercial buildings in Queensland, as well as public infrastructure will need to keep up with the technological advancement, says state development, manufacturing, infrastructure and planning minister Cameron Dick.**

"Queensland has been leading the transition with charging stations from Coolangatta to Cairns.

# May 16

## Tesla tows Qantas Dreamliner

"That time we towed a plane with a Tesla."

**So says Qantas of the May 15 feat where a Tesla Model X P100D has set a world record tow of a Qantas Boeing 787-9 Dreamliner.**

Said to be the "heaviest tow by an electric production passenger vehicle", the SUV pulled the nearly 130 tonne aircraft almost 300 metres at Melbourne's Tullamarine airport on May 15.

# May 17

## Isuzu showcases EV tech

Isuzu Australia held its first public display of its electric vehicle concept programme.

**Details of the venture were outlined at Melbourne's recent Megatrans event with the NQR and FSR models chosen for Isuzu's concept EV technology.**

Isuzu Australia sales and marketing director **Andrew Harbison** says there was a lot of interest in the EV display.

# May 21

## Tesla and Australian firm strike lithium deal

Kidman Resources will supply electric car maker Tesla with lithium hydroxide from a refinery south of Perth.

The breakthrough deal includes plans to build in a partnership with New-York Stock Exchange-listed Sociedad Quimica Y Minera (SQM), the Australian Financial Review reports.

**Kidman says the agreement with Elon Musk's Tesla endorsed its strategy to become an integrated supplier of battery-grade refined lithium.**

The three-year off-take deal is the first of its kind between Tesla and an Australian company. The terms are fixed-price and take-or-pay, with other details confidential.

## Electric Jaguar E-Type takes royals to reception

**Prince Harry** drove bride **Meghan Markle** to their evening reception in a silver blue electric Jaguar E-Type Concept Zero.

**The electric version is based on the car built in 1968, the E-Type's usual 3.8-litre six-cylinder engine replaced with a 40kWh battery driving a 220kW engine, which can be charged in about seven hours.**

# May 22

## Brisbane hosts world robotics conference

"Flying underground – autonomous drone flight in underground mines" is among some of the topics covered at the International Conference on Robotics and Automation (ICRA) in the Brisbane Convention and Exhibition Centre from May 21-26.

**It also covers automation related to the trucking industry and issues around mobile robotics, including advances in warehouse automation and use of unmanned aerial vehicles (UAVs).**

There's a session on multi-legged robots too.

# May 24

## Australia 'seven years' behind on EVs

Australia is "about seven years" behind global uptake of electric vehicles, Electric Vehicle Council chief executive **Behyad Jafari** says.

**A new report by Bloomberg New Energy Finance estimates worldwide demand for electric vehicles would rise to almost 1.6 million in 2018, up 45% from a year ago.**

The consultancy predicts global sales "to explode in the late 2020s as the technology

establishes a cost advantage over internal combustion engine car," reaching 30 million by 2030, *The Sydney Morning Herald* reports.

# May 25

## Brisbane to host 17th Asia Pacific ITS Forum

Brisbane will host the 17th Intelligent Transport Systems Asia Pacific Forum in May 2020.

**The announcement came during the recent ITS Asia Pacific Forum in Fukuoka, Japan.**

"Queensland is at the forefront of developing and deploying ITS technologies, particularly in the area of cooperative and automated vehicles, and I am delighted the forum will be held in Brisbane in 2020," transport and main roads minister **Mark Bailey** says.

# May 30

## Tesla expanding Australian supercharger network

Tesla has 20 superchargers in Australia and plans to add 18 more during the next 18 months.

**Supercharger expansion plans for Australia have been announced as part of a global roll-out. About 10,000 superchargers worldwide are said to be coming soon, mainly in Europe, China and the US.**

The superchargers provide a half charge in 30 minutes, allowing for easy long-distance travel.

## Fifty charging stations from ACT

Fifty new standard dual electric vehicle charging stations will be rolled-out at Canberra government sites during 2018-19.

**The announcement came from Australian Capital Territory climate change and sustainability manager Shane Rattenbury.**

The $456,000 roll-out will be funded by the territory government in the upcoming June budget, *RenewEconomy* reports.

# May 31

## Drafting of autonomous vehicle driving laws begins

Ministers have begun drafting laws that will govern autonomous vehicles (AVs) on Australian roads.

**The National Transport Commission has announced national laws will be in place by 2020, ensuring a "legal entity" is responsible for the actions of AVs.**

The new laws are guided by the NTC's 2017-18 consultation paper, which chief executive **Paul Retter** says will give manufacturers and operators reassurance in trialling vehicle systems in Australia.

## EVs – three million to 125m in 12 years

Electric and plug-in hybrid car numbers will rise by at least 122 million within 12 years.

**So says the International Energy Agency's latest Global Electric Vehicles Outlook report.**

It says in 2017 the world had more than three million EVs – up 54% on 2016 – and forecasts EV numbers to reach 125 million by 2030.

## More old mine sites may provide power

Turning the former Kidston gold mine into a world-leading combined solar and pumped hydro power generation plant is held up as an example for the future of other Queensland old mines.

**Kidston provides electricity to 280,000 homes, encouraging electric vehicle uptake.**

Queenslanders are invited to provide submissions by July 16 on helping shape the future of other used mine sites.



## EV TALK DIARY

**EVtalk New Zealand** editor Geoff Dobson looks at the month gone by on **www.evtalk.co.nz**



# May 1

## EVworld NZ Champions Awards now open

The EVworld NZ Champions Awards nominations are now open.

**The awards honour individuals, businesses and communities associated with electric vehicles (EVs).**

They will be presented on August 9 in Auckland at the opening of the EVworld NZ event from August 10-11.

# May 23

## Electric vehicles bugged

Tracking devices are being planted in electric vans and cars to measure their performance every minute.

**It is all part of testing how well EVs go in New Zealand conditions, where people drive and charge them, what they cost to run, even how hot their batteries get.**

The "EV Black Box" taps into the EV's instruments and transmits the data via the 3G network to a communal database operated by Flip the Fleet, a coalition of EV owners.

# May 30

## Helping businesses benefit from EVs

Advice on how to introduce electric vehicles into company fleets is provided by Drive Electric.

**The EV advocacy group has released its latest white paper Building an Electric Fleet: a 'How-to' Guide for Businesses Considering Transitioning to Electric Vehicles.**

Meridian Energy's **Nick Robilliard** contributed after transitioning half of the company's passenger fleet to EVs.

# May 31

## NZ joins global Electric Vehicle Initiative

New Zealand has joined a multi-government forum of the world's top electric vehicle markets accelerating EV uptake.

**Membership of the Electric Vehicle Initiative (EVI) will link New Zealand into international best practice around EVs including policy, research and information sharing, Energy Efficiency and Conservation Authority chief executive Andrew Caseley says.**

"Being part of this initiative puts New Zealand alongside the top EV markets in the world, demonstrating to industry our readiness to adopt new EV technologies."

## EV element mining could step up

A search for rare earth elements (REE) in New Zealand for the electric vehicle industry could herald a new wave of mining.

**A GNS Science study highlights areas of interest.**

The Mineral Potential Studies results on lithium, REE and nickel-cobalt were released at the New Zealand Minerals Forum in Queenstown.