



Good morning my name is Tim Reuss, President and CEO of the Canadian Automobile Dealers Association. Our over 3,200 members sell and service all kinds of vehicles in nearly every community in Canada and collectively employ over 160,000 people.

In many ways the transition to Electric Vehicles is progressing well.

In Canada there are numerous and exceptional battery electric vehicles available for purchase. These vehicles can be ideal for many families, and we believe consumer demand will continue to grow consistently in future months and year.

However, the hard truth is, the coming federal mandate cannot succeed without Canadian consumer acceptance and the right market pre-conditions.

Canadians expect certainty that they can afford, use, and charge their EVs in a manner that suits their different lifestyles and geographical requirements before making one of the most important purchasing decisions in their lives.

Further, with the current high interest rates and high inflation severely impacting consumer affordability, many consumers lack the means to purchase EVs, as evidenced by the rising inventory levels on our dealers' lots today.

Instead of attempting to dictate what individuals have to purchase, we suggest government focus on creating the right set of circumstances to stimulate demand.

It is important to note that Dealers across Canada are investing hundreds of millions in charging infrastructure and technology to lead the transition to electric vehicles. This is on top of the billions spent by Canadian and worldwide vehicle manufacturers.

The Federal Government needs to produce a realistic and flexible plan that takes into account the vastly different economic and geographical realities of Canada.

Canadians living in rural and northern communities will face more difficulties with the transition to EVs due to prolonged periods of cold temperatures that affect the range of battery-powered electric vehicles as well as the substantially longer average distances they need to travel. This is not a simple economic issue but a survival issue, rural Canadians will be hurt the most by a mandate approach.

Any EV sales mandates need to be tied into real world progress on:

- Public charging infrastructure
- Grid readiness and,
- Consumer incentives

Regulating Canadians to buy EVs they can't afford or charge will be a made-in-Canada policy failure. Let's get this right.