



**Written Submission for the Pre-Budget  
Consultations in Advance of the 2020 Budget**

**By: The Fleet Management Association**



- **Recommendation 1:** That the federal government allocates additional funding to the national incentive program for zero-emission vehicles (iZEV) to ensure the continued success of the program and to accelerate the electrification of the Canadian fleet.
  
- **Recommendation 2:** That the Government of Canada continue looking at innovative methods to help Canadians to update their skills based on new and cleaner technologies.



## **NAFA at a Glance**

NAFA is that national voice for fleet administrators across Canada and the United States. NAFA's Members are key fleet decision-makers — corporate, government (municipal, provincial or federal), and public service entities (public safety, law enforcement, educational institutions, and utilities). The association represents fleet executives responsible for more than 4.6 million vehicles which include Sedans, SUVs, Vans, Light-, Medium- and Heavy-Duty Trucks, and Specialized Highway and Non-Highway Equipment. NAFA Associate Members represent companies which have products or services, such as vehicles, aftermarket equipment, and service shops, to offer to Regular Members.

## **More funding for the national incentive program for zero-emission vehicles (iZEV)**

Though ZEVs continue to be a niche vehicle class in Canada, demand for them is growing. However there is a lack of infrastructure and consumer awareness that limit demand for ZEVs in the Canadian marketplace. There's a clear role for the federal government to address some of the shortcomings in the domestic ZEV market.

We are pleased by the government new national rebate program for ZEV (iZEV) and funding to develop a network of charging stations across the country. These investments will make ZEVs more affordable for Canadians and increase demand. The uptake in the program has been quite strong so far.

Recent data released by Transport Canada shows that close to 9,000 claims for reimbursement have been submitted with 96% of the claims coming from Quebec, British Columbia and Ontario. At this pace, the \$300 million allocated to the program will not be sufficient to support the increased demand for ZEVs. Evidence suggests a strong correlation between government incentive and demand of zero-emission vehicles. Upfront cost remain a key barrier to adoption. The government needs to allocate additional funding to the program to ensure continued success of the iZEV program and accelerate the electrification of the Canadian fleet.

## **Recommendation**

- **That the federal government allocates additional funding to the national incentive program for zero-emission vehicles (iZEV) to ensure the continued success of the program and to accelerate the electrification of the Canadian fleet.**

## **Continuous Improvements to Canadian Skills Development**

Canada continues to face the issue of the lack of qualified technicians to service vehicles as changes in technology have changed the repair and maintenance workspace. With advances in vehicle technology, mechanics more and more are required to have computer skills to be successful in the profession.



Many fleets across Canada today still maintain their own internal garages at which their mechanics are usually long-time employees. With the rapid changes in vehicle technologies, including shifts to more automated vehicles and zero emission vehicles (ZEVs), fleet administrators continuously need to help retrain their mechanics to stay up-to-date with skills necessary for these new technologies. Fleets are now replacing their end-of-life vehicles and are being forced to refit their operations with updated equipment. With many of the skilled mechanics nearing retirement and junior technicians still needing continuous skills development, fleets face the challenge of properly maintaining their vehicles.

Furthermore, the economic downturn in Western Canada continues to impact many of the fleet administrators in the region. Many of the large companies in the area rely on different fleets to be successful in their industries. With a continued push for emission reductions and the adoption of alternative energy sources, the Government of Canada has a responsibility to retrain those that are displaced and focus them into new career paths.

NAFA was encouraged by the Government of Canada's announcement in Budget 2017 of the creation of a new national organization to support skills development and measurement in Canada. By the organization identifying skills sought by Canadian employers such as fleet administrators and by exploring innovative approaches to skills development, NAFA was hopeful that these ongoing challenges could be resolved. We continue to urge the government to look at innovative methods to encourage the retraining of technicians so that fleets are continuously well maintained to support the broad range of industries that rely on us.

### **Recommendation**

- **Fleet administrators support industries all across Canada that account for billions in economic growth and tax revenue. NAFA recommends that the Government of Canada continue looking at innovative methods to aid Canadians to update their skills based on new and cleaner technologies.**