

A chicken in every pot, a gym in every garage and cars on every street – observations from relative technology and CPI Expenditure Class price changes and implications for Electric Vehicle charging.

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A "chicken in every pot and a car in every garage" was the prosperity promise of Herbert Hoover in 1928. Almost 100 years on 21st century technology and relative price changes have delivered prosperity but also shifted the dynamics between households' largest expenditure types.

COVID 19 induced supply constraint have created short-term price distortion in new and second-hand motor vehicle markets, and geo-political factors have increased fuel prices. In this environment of short-term volatility and increased inflationary pressures (in transport and the CPI All Groups measures) longer-term price trends and the impact of technology can go unnoticed.

Australian CPI Expenditure Class figures show a 2.5 times gap has developed over the last two decades between the "Motor vehicle" and the "New dwelling purchase by owner-occupier" price indexes (the car/castle or holden/house price ratio).

Rust proofing and reduced car theft have also influenced parking practices, but the rising affordability of cars and falling affordability of houses has significantly reduced the incentives for garaging cars. As electric motor vehicles are finally overcoming key barriers in technology, range anxiety, purchase price, battery life, availability, consumer acceptance, grid management and electricity pricing this paper looks at the issue of relative pricing and the EV last yard – home charging for residential vehicles that are not garaged. The possibility that this will necessitate the adoption of ACES (Automated, Connected, Electric and Shared) vehicles rather than just EVs is examined.

Implications of the shift in real price and technology of selected other CPI expenditure classes (including "Poultry", "Eggs" and "Audio, visual and computing equipment") are also explored.

Key Words

Motor Vehicles, Housing, Parking, Electric Vehicles, Poultry, Real prices, Charging infrastructure, Garage
