

# Media Release



**FEDERAL CHAMBER  
OF AUTOMOTIVE  
INDUSTRIES**

ABN No 53 008 550 347

---

GPO BOX 313, CANBERRA ACT 2601  
10 RUDD STREET, CANBERRA CITY  
ACT 2600 AUSTRALIA  
TELEPHONE 02 6247 3811  
FACSIMILE 02 6248 7673

4 June 2008

## **FUEL PRICES DRIVING MOTORISTS TO CAR SHOWROOMS**

Australian new motor vehicle sales remained strong last month, despite higher interest rates and fuel prices.

Official VFACTS figures released today by the Federal Chamber of Automotive Industries (FCAI) show that 88,640 cars, trucks and buses were sold in May – an increase of 43 vehicles on the same month last year.

“This is a good result for the automotive industry, although there is evidence that interest rate rises and other factors have slowed the rate of growth in recent months,” FCAI chief executive Andrew McKellar said.

Year-to-date the car market is now up 4 per cent on the same period in 2007, which was an all-time record year.

The May figures reveal a 'two-phase' car market, with the passenger car market down slightly (2.5 per cent) while the SUV and light commercial markets continue to boom.

Sales in the medium SUV segment were up 16.8 per cent on May 2007 and the large SUV segment was up 12 per cent, despite the impact of higher fuel costs.

The light commercial vehicle market also continues to be buoyant – with ute sales particularly strong.

The pick-up/cab-chassis 4x4 segment rose 5.7 per cent over May last year, while the van segment rose 22.5 per cent.

Mr McKellar said an increasing number of passenger vehicles and SUVs are being bought with clean-diesel engines.

“Several new common-rail injection clean diesels have entered the market in the past few months, and we can see that Australian drivers are keen to give the new technology a try,” Mr McKellar said.

Vehicle buyers seeking improved fuel efficiency do not necessarily have to choose a smaller vehicle.

"The traditional image of diesel vehicles has changed," he said. "Diesel vehicles can provide significant benefits in terms of fuel efficiency and reduced carbon emissions but have good power and performance."

Mr McKellar said higher fuel prices should not scare consumers away from traditional petrol engines either, because new technology has made these more efficient.

"Our analysis shows that higher fuel costs are prompting people to shop around to find a new car that both suits their needs and also has better fuel economy than the one they are currently driving," he said.

Toyota remained the top-selling marque in May with 23.4 per cent of the market, followed by Holden with 12.5 per cent and Ford with 10.9 per cent.

So far this year Toyota leads the sales race with 101,816 vehicles sold, followed by Holden with 55,155 and Ford with 44,183.

**For more information or interview requests contact:**

James Goodwin  
Media and Communications Manager  
T: 02 6229 8221  
M: 0401 248 772

Image: 080107b170.jpg



Caption: FCAI chief executive Andrew McKellar said new motor vehicle sales were relatively strong in May, despite the impact of rising fuel prices and interest rates.