



**FEDERAL
CHAMBER OF
AUTOMOTIVE
INDUSTRIES**

ANNUAL REPORT

2023

FEDERAL CHAMBER OF AUTOMOTIVE INDUSTRIES
Level 1, 59 Wentworth Avenue
KINGSTON ACT 2604





LIFE MEMBERS

BL Burton CBE

DM Morgan

D I Donaldson AM

P Thomas AM

RC Hunt

PH Hanenberger

WL Dix AO

T Phillips

IA Deveson AO

S Strickland

RH Johnson AO

PM Sturrock

BW Schlickum

TK Amery

JH Conomos AO

RJH McEniry

LP Daphne

L Smalley

MD Gough

DG Dickson

MT Quinn AM

M Yasuda

IF Grigg AM

DS Blackhall



REPRESENTING THE AUSTRALIAN AUTOMOTIVE INDUSTRY

The Federal Chamber of Automotive Industries (FCAI) is the peak representative organisation for companies that distribute new passenger vehicles, light commercial vehicles, motorcycles, and off-road vehicles in Australia.

With more than 60 brands offering around 380 models, sold and serviced by almost 4,000 dealers, Australia's automotive sector is a large employer and contributor to our economy, lifestyle, and communities big and small. While local production ceased in 2017, some brands retain design and engineering facilities in Australia which support global new model development. Also, thanks to world's best local expertise, Australia remains a source of components (including aluminium castings and alloy wheels) which are sold to manufacturers in Japan and North America.

The reach of the automotive sector is significant: vehicle importation, distribution, retailing, servicing, logistics/transport and engineering. Support comes from hundreds of supplier companies, employing thousands of Australians.

New vehicle distributors and Australian new car dealers employ more than 75,000 employees, including many trained at TAFE and other colleges to provide vital service and repair functions. Further, automotive brands themselves are major providers of subsequent specialist training for these technicians, some of whom will diversify into other industries, bringing with them skills honed by the vehicle industry.



FCAI MEMBERS

Ateco Automotive Pty Ltd

- Maserati
- LDV
- Ram Trucks Australia
- Renault Australia

BMW Group Aust Ltd

- MINI

BMW Motorrad

BRP Australia Pty Ltd

- Can-Am

Chery Motor Australia Pty Ltd.

Ducati Australia and New Zealand

Ferrari Australasia Pty Ltd

Ford Motor Company of Australia Pty Ltd

GM Holden Ltd

Haval Motors Australia Pty Ltd

- Great Wall

Harley-Davidson Australia Pty Ltd

Honda Australia Pty Ltd

Honda MPE (Aust) Pty Ltd

Hyundai Motor Company Australia Pty Ltd

- Genesis

Inchcape

- Peugeot
- Citroen
- Subaru Australia Pty Ltd

Isuzu UTE Australia Pty Ltd

Iveco Trucks Australia Limited

Jaguar Landrover Australia Pty Ltd

Kawasaki Motors Pty Ltd

Kia Motors Australia

KTM Australia

- Husqvarna
- GasGas

Lexus Australia

Mazda Australia

Mercedes Benz Australia Pacific Pty Ltd

Mitsubishi Motors Australia Ltd

Nissan Motor Co Australia Pty Ltd

Peter Stevens Importers Pty Ltd

- Aprilia
- Moto Guzzi
- Triumph
- Vespa
- Piaggio

Polaris Industries Australia & New Zealand

- Indian Motorcycle

Polestar Automotive Australia Pty Ltd

Porsche Cars Australia

SAIC Motor Australia Pty Ltd

- MG

Ssangyong Australia

Stellantis Australia

- Fiat
- Chrysler
- Alfa Romeo
- Jeep

Suzuki Australia Pty Ltd

Suzuki Motorcycles Australia

Tesla Motors

Toyota Motor Corp Australia Ltd

Volkswagen Group Australia Pty Ltd

- Audi Australia
- Cupra
- Skoda
- Bentley
- Lamborghini

Volvo Car Australia

Yamaha Motor Australia Pty Ltd

CHAIRPERSON'S REPORT

2023



**Vinesh
Bindi**

FCAI Chairperson

2023 was a year to remember with all-time record-breaking sales figures.

We saw the number of battery electric vehicles on our roads grow along with an increasing number of hybrid and plug-in hybrid models.

Vehicle safety remained paramount, while at the same time, the industry continued to deal with rapid developments in connectivity, data use and the outlook for what happens when vehicles come to the end of their useful life.

On the other hand, we all learned a great deal about shipping schedules, seeds and stink bugs as OEMs, dealers and customers worked to overcome the delivery challenges.

I can guarantee you that no two years in the automotive industry are ever the same.

In that regard, the FCAI Secretariat – in partnership with FCAI members – has continued its efforts to support the Australian automotive sector.

At the core of the team's efforts have been the needs, demands and rights of Australian businesses and families who purchase new vehicles every year to support their work and recreational needs.

During the year, we continued to navigate through a period of resilience and recovery, marked by significant milestones and notable achievements.

Despite the lingering impacts of the COVID-19 pandemic on global economies and supply chains, the Australian automotive market showcased remarkable resilience, with new vehicle sales reaching an all-time high of 1,216,780 new vehicle sales.

This is an all-time record-breaking feat, not only underscoring the adaptability and resilience of industry but highlights the unwavering demand for new vehicles among Australian consumers.

The previous highest sales result of 1,189,116 was achieved in 2017.

SUVs and light commercials continued to dominate the market, comprising a significant portion of total sales, with the Ford Ranger emerging as the top-selling vehicle.

Additionally, there was a notable uptick in the adoption of electric vehicles, reflecting a growing shift towards more low emission options.

Battery electric vehicles accounted for 7.2 per cent of sales with combined battery electric, plug-in hybrid and



hybrid vehicles achieving 16.2 per cent of new vehicle sales.

However, amidst these achievements, we encountered a myriad of challenges, from supply chain disruptions to biosecurity issues at ports.

Despite these obstacles, the collective efforts of industry stakeholders ensured the swift movement of vehicles into the hands of customers, underscoring our commitment to meeting consumer expectations in a rapidly changing environment.

So far, 2024 is following suit, and we are witnessing continued record sales results.

The results to date also show us very clearly where the customers' preferences lie with the preference for the larger SUVs and Light Commercials remaining extremely strong.

Motorcycles continue to be an important part of the mobility mix for Australians.

In 2023, a total of 95,980 motorcycles and OHVs were sold, marking a 3.1 per cent decrease from the previous year.

Bucking the trend, scooters experienced a significant increase in sales - up 15.4 per cent on the previous year.

Recreational products, including motorcycles, often bear the brunt of financial constraints during challenging periods.

The decrease in motorcycle sales underscores the impact of economic pressures on discretionary spending.

During 2024, we will see work commence on a revised motorcycle

strategy that will be used to underpin the work of the Secretariat for the period ahead.

In 2024, Australians can look forward to advancements in technology, increased connectivity, safety features, the rise of battery electric power, and a diverse range of product choices for consumers.

Looking at the year ahead, the FCAI remains optimistic about the industry's future.

As we continue to navigate through uncertainties such as cost-of-living pressures, it is imperative that we maintain a proactive stance in addressing key issues that impact the automotive sector.

One such issue of paramount importance is the introduction of a New Vehicle Efficiency Standard (NVES) by the Federal Government.

For over a decade, the FCAI has advocated for the implementation of this standard, recognising its significance in achieving emissions reductions while ensuring accessibility and affordability for consumers across all market segments.

A standard is long overdue, however, the FCAI raised concerns at the speed and magnitude of the change for both manufacturers and more importantly, consumers under the NVES.

We acknowledge the changes the Government has made to its preferred option and that the legislation that was been tabled in the House of Representatives and moved through the Senate by mid-year.

Although the changes did address some significant concerns, we expect



the NVES will present a significant challenge to some FCAI members and to customers over several years.

However, now that the industry has legislative clarity, members can focus on developing future actions that are reflective of their business operations, model lineups and most importantly, consumers.

I think that attention can now turn to policy and other mechanisms which can drive consumer confidence such as the development of a comprehensive and reliable national charging infrastructure, supported by a reliable and affordable electricity network. We also need to consider other road-blocks to the widespread transition to a zero and low emissions future.

We will work alongside governments – Federal, State and Territory – to support these efforts.

In 2024, Australians can look forward to advancements in technology, increased connectivity, safety features, the rise of battery electric power, and a

diverse range of product choices for consumers.

The decisions and actions we take today will not only shape the trajectory of our industry for years to come but also influence the broader societal and environmental outcomes.

Our industry will continue to strive to ensure best practice outcomes for Australian consumers.

This includes working with Government to put in place a regulatory framework that provides the appropriate balance between innovation and consumer risk.

As we stand on the precipice of a new era in mobility, let us embrace the challenges and opportunities that lie ahead with determination, innovation, and a shared commitment to driving positive change.

(AGM 15 May 2024)



The 2023 ANNUAL GENERAL MEETING

The 2023 AGM occurred on Wednesday 24 May

It was held at The National Portrait Gallery, Canberra.

2023 FCAI BOARD

Vinesh Bhindi

(Chairperson)
Managing Director, Mazda Australia
Pty Limited

Matthew Callachor

(Deputy Chairperson)
President and CEO, Toyota Motor
Corporation Australia Limited

Shaun Westcott

(Deputy Chairperson)
President and CEO, Mitsubishi Motors
Australia Ltd

Carolyn McMahon

(Treasurer)
Director
Honda Australia

Stephen Connor

(Director)
Managing Director of Volvo Car
Australia

Colin Christie

(Director)
Managing Director, Inchcape Australia

Tony Hinton

(Director)
General Manager, Sales, Honda MPE
(Aust) Pty Ltd

Thom Drew

(Director)
Country Manager, Tesla Australia &
New Zealand

Andrew Birkic

(Director)
President and CEO, Ford Australia and
New Zealand)

Adam Paterson

(Director)
Managing Director, Nissan Australia

John Kett

(Director)
Chief Operating Officer, Hyundai Motor
Company Australia

Tony Weber

(Secretary)
Chief Executive
Federal Chamber of Automotive
Industries



STATE OF THE AUTOMOTIVE INDUSTRY IN 2023

The Australian automotive market has achieved an unprecedented milestone, breaking all-time records for new vehicle sales in 2023.

A total of 1,216,780 vehicles were delivered during the year, the previous highest sales result of 1,189,116 was achieved in 2017.

Toyota was the top selling car brand with 17.7 per cent of the market while the top selling vehicle was the Ford

Ranger (63,356). SUVs and light commercials accounted for 78.4 per cent of sales and comprise all the top 10 vehicles sold in 2023.

Battery electric vehicles accounted for 7.2 per cent of sales with combined battery electric, plug-in hybrid and hybrid vehicles achieving 196,868 sales or 16.2 per cent of new vehicle sales.

MARKET SEGMENTATION

Class	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	TOTAL
Passenger	16,602	16,435	17,182	15,191	18,120	20,397	17,156	19,336	18,611	17,616	18,470	16,245	211,361
SUV	46,698	47,888	53,526	46,031	59,011	69,059	57,003	62,313	64,052	59,259	62,347	52,275	679,462
Light Commercial	18,546	18,750	22,012	17,060	23,824	28,833	19,244	24,031	23,793	25,681	26,772	25,639	274,185
Heavy Commercial	3,027	3,805	4,531	3,855	4,739	6,637	3,456	4,286	4,246	4,253	4,552	4,385	51,772
TOTAL	84,873	86,878	97,251	82,137	105,694	124,926	96,859	109,966	110,702	106,809	112,141	98,544	1,216,780

MOTORCYCLE / SSV

In 2023, a total of 95,980 motorcycles and OHVs were sold, marking a 3.1 per cent decrease from the previous year.

Off-road motorcycles totalled 40,138 units, experiencing a 3.7 per cent decrease and road motorcycles recorded a 3 per cent decline (35,122 units) on 2022 figures.

Bucking the trend, scooters experienced a strong increase in sales

(6,135 units) up 15.4 per cent on the previous year.

OHV segment sold 14,585 units, a decrease of 7.8 per cent compared with 2022 figures.

Class	Sales 2023	Sales 2022	% Change
OHV	14,585	15,825	-7.80%
Off Road	40,138	41,681	-3.70%
Road	35,122	36,208	-3.00%
Scooter	6,135	5,316	15.40%
TOTAL	95,980	99,030	-3.10%



KEY ACTIONS

SUBMISSIONS

The Secretariat made over 15 submissions to State, Territory and Federal Governments including:

FCAI response to Improving Pedestrian Safety Acoustic Vehicle Alerting Systems for Electric Vehicles Consultation Impact Analysis

FCAI response to Fuel Efficiency Standard— Cleaner and Cheaper-to-run Cars for Australia Consultation paper

FCAI response to Cyber Security and Software updates ADR Consultation

FCAI response to Review of Electro-Magnetic Compatibility [EMC] rules Consultation paper

FCAI response to Event Data Recorders Consultation

FCAI response to ADR 113/00 Acoustic Vehicle Alerting Systems for Electric Vehicles Exposure Draft

FCAI response to ACCC – Lithium-ion batteries Issues Paper

FCAI response to Department of Climate Change, Energy, the Environment and Water Discussion paper for a national framework for recycled content traceability

FCAI response to DITRDCA – C-ITS Principles Draft for Industry Consultation

FCAI response to DIRTDCCA – Draft National Road Transport Technology Strategy and 2024-2027 CAV Action plan

FCAI response to DITRDCA Road and Vehicle Safety Division Introduction of recall rectification benchmarks

FCAI submission to Review of the franchising code of conduct consultation paper

FCAI submission to Queensland Review of the Electrical Safety Standards Act

FCAI submission to The Telecommunications Legislation and Connected Vehicles Discussion Paper

FCAI response to WA Department of Planning, Lands and Heritage Draft Position Statement on Electric Vehicle Charging Infrastructure



MEDIA ACTIVITY

FCAI releases 2022 new car sales data (5 January 2023)	New Vehicle Sales Remain Solid at End of Financial Year (5 July 2023)
FCAI releases motorcycle sales for 2022 (10 January 2023)	FCAI Releases January – June 2023 Motorcycle Sales (11 July 2023)
FCAI releases January 2023 car sales data (3 February 2023)	New Vehicle Sales Achieve Record July Result (3 August 2023)
FCAI releases February 2023 car sales data (3 March 2023)	FCAI supports Queensland’s vision for zero motorcycle accidents with new grants initiative (28 August 2023)
FCAI releases March 2023 car sales data (5 April 2023)	Record Breaking New Vehicle Sales in August (5 September 2023)
FCAI Releases January – March 2023 Motorcycle Sales (12 April 2023)	New Vehicle Sales Achieve a September Record (4 October 2023)
2022 FCAI CO2 Standard Report (17 April 2023)	FCAI Releases January – September 2023 Motorcycle Sales (10 October 2023)
FCAI Releases 2022 Brand CO2 Emissions Data (17 April 2023)	Investment in EV infrastructure signals major step forward (27 October 2023)
Government Takes Historic Step on Emissions Reduction Journey (19 April 2023)	One Million New Vehicles Sold in 2023 (3 November 2023)
Queensland Takes Strong Steps on Electric Vehicle Affordability (21 April 2023)	Boost to EV infrastructure in Western Australia (6 November 2023)
FCAI Releases April 2023 Car Sales Data (3 May 2023)	Australia on track to break all-time new vehicle sales in 2023 (5 December 2023)
FCAI appoints new Board (25 May 2023)	Archaic Luxury Car Tax needs to be abolished (13 December 2023)
A Record Sales Month for Motor Vehicles in May (5 June 2023)	High Court judgement a victory for common sense (13 December 2023)



AUDITOR'S REPORT



Independent auditor's report

To the members of Federal Chamber of Automotive Industries Limited

Our opinion

In our opinion:

The accompanying financial report of Federal Chamber of Automotive Industries Limited (the Company) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2023 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the statement of financial position as at 31 December 2023
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the statement of profit or loss and other comprehensive income for the year then ended
- the notes to the financial statements, including material accounting policy information and other explanatory information
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 31 December 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

PricewaterhouseCoopers

PricewaterhouseCoopers

Sarah D'Arcy

Sarah D'Arcy
Partner

Canberra
8 May 2024



CONTACT

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