FEDERAL CHAMBER OF AUTOMOTIVE INDUSTRIES

Annual Report 2025

FEDERAL
CHAMBER OF
AUTOMOTIVE
INDUSTRIES

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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. Representing more than 75 brands, the automotive sector is a major contributor to the Australian economy and plays a critical role in supporting mobility, productivity and everyday life in communities across the country.

Australia’s automotive industry is undergoing one of the most significant periods of change in its history. Consumers today have access to an unprecedented range of vehicle technologies, including battery electric vehicles, plug-in hybrid vehicles, conventional hybrid vehicles and internal combustion engine vehicles. At the same time, vehicles are becoming increasingly connected, technologically sophisticated and equipped with advanced safety systems and driver assistance technologies.

This transformation is occurring alongside a rapidly evolving policy and regulatory environment. Governments and regulators at federal, state and territory levels are increasingly influencing the technologies consumers purchase, the vehicles manufacturers supply and the frameworks under which industry operates. FCAI works to ensure policy development is informed by evidence, market realities and robust industry data.

FCAI also plays an important role in providing industry intelligence through the collection, analysis and publication of vehicle sales and market information. Through VFACTS, Australia’s authoritative new vehicle sales dataset, FCAI provides industry, business, policymakers, media and consumers with trusted data and insights that support informed decision making and greater understanding of Australia’s automotive market.

Australia’s automotive market is deeply integrated into global technology, trade and supply chains, with manufacturers operating in an environment of rapid change and heightened international competition.

The automotive sector’s economic footprint extends far beyond vehicle sales alone, supporting employment across importation, distribution, retailing, servicing, logistics, transport, engineering and professional services, alongside hundreds of supplier businesses operating throughout Australia.

New vehicle distributors and authorised dealers directly employ more than 75,000 Australians, supporting a highly skilled workforce that maintains and services one of the world’s most open and competitive vehicle markets.

Life Members

(As at May 2026)

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 OAM
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
PG Burleigh

FCAI Members

(As at May 2026)

Ateco Automotive Pty Ltd
- Maserati
- LDV
- Ram Trucks Australia
- Renault Australia

BMW Group Australia Ltd
- MINI

BMW Motorrad
BRP Australia Pty Ltd
- Can-Am

BYD Australia Pty Ltd
- Denza

Chery Motor Australia Pty Ltd
- Omoda Jaecoo

Ducati Australia and New Zealand
Ferrari Australasia Pty Ltd
Ford Motor Company of Australia Pty Ltd
GAC International Australia
Geely Auto Australia Pty Ltd
GM Holden Ltd
GWM Australia & New Zealand
- Haval Motors Australia

Harley-Davidson Australia Pty Ltd
Honda Australia Pty Ltd
Honda MPE (Aust) Pty Ltd
Hyundai Motor Company Australia Pty Ltd
- Genesis

Inchcape
- Deepal
- Foton
- Peugeot
- Subaru Australia Pty Ltd

Isuzu Australia Limited
Isuzu UTE Australia Pty Ltd
Iveco Trucks Australia Limited
Jaguar Land Rover Australia Pty Ltd
Kawasaki Motors Pty Ltd
KGM SsangYong
KIA Motors Australia
KTM Australia
- Husqvarna
- GasGas
- MV Agusta

Lexus Australia
LTS Auto Holdings Pty Ltd
- JAC Motors

Mahindra Automotive Australia Pty Ltd
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

Porsche Cars Australia
SAIC Motor Australia Pty Ltd
- MG
- IM Motors

Stellantis Australia
- Abarth
- Alfa Romeo
- Chrysler
- Fiat
- Jeep
- Leapmotor

Suzuki Australia Pty Ltd
Suzuki Motorcycles Australia
Toyota Motor Corp Australia Ltd
Volkswagen Group Australia Pty Ltd
- Audi Australia
- Cupra
- Skoda
- Bentley
- Lamborghini

Volvo Car Australia
Xpeng Motor Australia Pty Ltd
Yamaha Motor Australia Pty Ltd
Zeekr Intelligent Technology Aust. Pty Ltd
Zero Motorcycles BV

Chairperson's Report

Vinesh Bhindi
Chairperson

Australia remains one of the world's most competitive automotive markets, supported by strong consumer demand and an industry that continues to adapt to rapidly changing conditions. During 2025, Australians purchased more than 1.2 million new vehicles, representing another record year for the industry and demonstrating the resilience of our sector.

Beneath these headline figures, however, the market continued to evolve. The transition to lower emissions technologies progressed, although not at the pace anticipated by either government or industry. Consumers remain open to change, but purchasing decisions continue to be shaped by affordability, capability and convenience, particularly access to reliable charging infrastructure.

At the same time, consumer preferences continued to shift. The share of petrol and diesel vehicles declined while hybrid and plug-in hybrid vehicles increased their presence in the market. SUVs further consolidated their position as the preferred vehicle choice for Australian families, while traditional passenger vehicle segments continued to decline.

In the motorcycle and off highway vehicle sector, FCAI members sold almost 93,000 units during 2025, highlighting the continued importance of these segments within the broader mobility landscape.

The global environment has changed significantly. Conflict in the Middle East has disrupted international energy markets, placing upward pressure on fuel prices and contributing to broader economic uncertainty.

These developments are increasingly influencing consumer behaviour and purchasing decisions. In this environment, the fundamentals of vehicle purchasing decisions remain consistent. Consumers continue to assess total cost of ownership, vehicle suitability and infrastructure availability when making purchasing decisions. While fuel costs have changed significantly, ongoing constraints around charging infrastructure remain an important consideration for many Australians.

This context is particularly relevant as Australia enters the next phase of the New Vehicle Efficiency Standard (NVES). The release of the first NVES report marked an important milestone, with attention increasingly turning toward the future design of the standard beyond 2029.

FCAI continues to support an ambitious but achievable pathway that reflects Australia's geography, consumer preferences and economic realities. We will continue to engage constructively with government as policy development progresses.

At the same time, we are seeing a growing number of regulatory proposals that have the potential to affect not only industry participants but also consumers. These include potential changes relating to NVES administration and reforms affecting dealer and manufacturer relationships

It is important that any regulatory framework recognises the sophistication of commercial relationships within the automotive sector and supports investment, competition and innovation rather than introducing unnecessary complexity or cost.

Cost pressures across the sector remain significant. The average price of a new vehicle in Australia increased from $42,505 in 2016 to $57,951 in 2025, an increase of approximately 36 per cent, significantly above the rate of inflation over the same period.

FCAI also continues to engage on a broad range of policy issues including tax reform, road user charging proposals, emerging mobility technologies including e-bikes and the broader evolution of Australia's transport system. Our focus remains on advocating for balanced, evidence-based policy outcomes that deliver benefits for consumers.

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Australia's political and policy environment is becoming increasingly complex, with changing voting patterns and emerging political voices contributing to a more dynamic landscape. In this environment, constructive engagement across the political spectrum has never been more important.

Despite these challenges, there are many reasons for optimism. Australia remains one of the most open and competitive automotive markets in the world. Consumers continue to embrace new brands, new technologies and new business models, while the industry continues to adapt and innovate in response to changing conditions.

The automotive sector is entering a new phase shaped by global forces, evolving technologies and changing policy settings. Together, we will continue to navigate this environment and ensure Australia's automotive market remains dynamic, competitive and focused on the needs of consumers.

2025 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
(Resigned 16 September 2025)

Andrew Humberstone
(Director/Treasurer)
Vice President - Managing Director, Nissan Oceania

Carolyn McMahon
(Treasurer)
Director and Vice President, Honda Australia
(Resigned 31 March 2025)

Jaime Cohen
(Director)
Managing Director, Mercedes-Benz Cars & CEO, Mercedes-Benz Australia/Pacific
(Resigned 10 September 2025)

Penny Ferguson
(Director)
Managing Director, Jaguar Land Rover Australia

Michael Filazzola
(Director)
Managing Director, Stellantis Australia
(Resigned 15 April 2025)

Matthew Ferry
(Director)
General Manager Sales & Marketing - Land Mobility, Yamaha Motor Australia
(Appointed 5 March 2025)

Vikram Pawah
Chief Executive Officer, BMW Group Australia
(Appointed 26 November 2025)

Blair Read
(Director)
Managing Director, Inchcape Australasia

Michael Tsesmelis
(Director)
Managing Director, Stellantis Australia and New Zealand
(Appointed 13 August 2025)

Glen Sealey
(Director)
Managing Director, Renault Australia
(Appointed 21 May 2025)

Robert Thorp
(Director)
Honda Australia
(Appointed 14 May 2025)

Tony Weber
(Secretary)
Chief Executive, Federal Chamber of Automotive Industries

State of the Automotive Industry in 2025

Australia's automotive industry remained resilient throughout 2025, with 1,209,808 new vehicles delivered during the calendar year. While slightly below the record volumes achieved in 2024, the result reflected continued consumer demand and highlighted the industry's ability to adapt during a period of significant technological, economic and regulatory change.

The year was characterised by rapidly changing consumer preferences and a continued expansion in vehicle choice. Buyers increasingly embraced lower emissions technologies, while manufacturers responded with broader product offerings across multiple powertrains.

SUVs further strengthened their dominance during 2025, accounting for approximately 61 per cent of all new vehicle sales and reinforcing their position as the preferred vehicle choice for Australian consumers. Light commercial vehicles remained an important segment, while passenger vehicle sales continued their long-term decline.

One of the most significant developments during 2025 was the changing mix of vehicle technologies purchased by Australians. Battery electric vehicles accounted for 9.6 per cent of total new vehicle sales (VFACTS), reflecting continued consumer interest despite challenging market conditions. Hybrid vehicles continued to gain momentum with 199,133 sales, increasing by 15.3 per cent year-on-year, while plug-in hybrid vehicle sales more than doubled to 53,484 units, representing the fastest-growing vehicle category in the market. Together, these trends reflected growing consumer demand for technology choice and greater availability of lower emissions vehicles across more segments.

The Australian automotive sector entered 2026 operating in an environment shaped by rapid technological change, increasing competition, evolving consumer preferences and significant policy reform, with manufacturers continuing to adapt to one of the world's most open and competitive automotive markets.

Class	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Passenger	12,783	12,787	14,163	12,573	14,166	15,190	13,946	13,203	12,977	12,180	11,483	12,033	**157,484**
SUV	52,748	57,421	65,747	54,179	63,699	71,411	63,079	60,495	61,381	61,413	60,728	61,530	**733,831**
LCV	18,448	21,337	24,560	20,436	23,493	31,021	22,437	23,211	23,762	22,053	21,017	21,449	**273,224**
HCV	2,825	3,448	4,136	3,426	3,927	4,887	3,635	3,630	3,872	3,942	3,809	3,732	**45,269**
TOTAL	86,804	94,993	108,606	90,614	105,285	122,509	103,097	100,539	101,992	99,588	97,037	98,744	1,209,808

Motorcycle and off-highway vehicle sales totalled 92,967 units during 2025, representing a decline of 1.3 per cent compared with 2024 as consumer caution and discretionary spending pressures continued to influence purchasing behaviour. Despite the softer overall result, several segments demonstrated resilience throughout the year.

Off-road motorcycles remained the largest segment and were effectively unchanged from the previous year, increasing marginally to 41,190 units. Road motorcycle sales declined by 3.6 per cent to 33,018 units, while scooter sales rebounded strongly, increasing 3.8 per cent to 4,933 units. Off-highway vehicle sales declined 1.4 per cent to 13,826 units.

The results highlight the continued strength of off-road and recreational riding segments, while manufacturers continued to respond to changing consumer preferences through investment in new products, technology and improved safety features.

	2025	2024	Change
OHV	13,826	14,028	-1.40%
Off Road	41,190	41,178	0.00%
Road	33,018	34,266	-3.60%
Scooter	4,933	4,752	3.80%
Total	92,967	94,224	-1.30%

Key Actions

Submissions

Australian Competition and Consumer Commission

- Limited Review Consumer Protection Notice No. 3 of 2014 Mandatory Safety Standard: Child Restraint Systems for Use in Motor Vehicles

Australian Securities and Investments Commission

- ASIC Credit (Litigation – Funding Extension) Instrument 2020/37 and ASIC Corporations (Conditional Costs Schemes) Instrument 2020/38

Department of Climate Change, Energy, the Environment and Water

- Draft National Hydrogen Regulatory Guidebooks
- Industrial Chemicals Environmental Management Standards

Department of Infrastructure, Transport, Regional Development, Communications and the Arts

- Australian Design Rule Harmonisation Review 2024-25
- Australian Design Rule 81/03: Vehicle Efficiency Labelling and Carbon Dioxide Emissions Measurement 2025
- Australian Design Rule 98/02: Advanced Emergency Braking Systems
- Australian Design Rule 107/00: Emergency Lane Keeping Systems
- Cleaner Fuels Program

Motor Vehicle Insurance and Repair Industry Code Administration Committee

- Review of the Motor Vehicle Insurance and Repair Industry Code of Practice

National Transport Commission

- Update to Vehicle Standards Bulletin 14

NSW Fair Trading

- Review of the NSW Motor Dealers and Repairers Regulation

Productivity Commission

- Investing in cheaper, cleaner energy and the net zero transformation Interim Report

Queensland Office of the Circular Economy

- Queensland Waste Strategy 2025-2030

Senate Standing Committee on Economics

- Treasury Laws Amendment (Tax Incentives and Integrity) Bill 2024

Treasury

- Economic Reform Roundtable
- Pre-Budget Submission 2025-26
- Review of the Motor Vehicle Information Sharing Scheme

Victorian Legislative Council Economy and Infrastructure Committee

- Inquiry into Electricity Supply for Electric Vehicles

Media Activity

New record but outlook remains tough 6 January 2025
Motorcycle sales results decline slightly during 2024 9 January 2025
Keep Safe When Riding ATVs and Side x Side Vehicles 31 January 2025
Slow Start for New Vehicle Sales in January 5 February 2025
Low Consumer Demand Placing Pressure on NVES 5 March 2025
Consumer Shift to EVs Remains Elusive 3 April 2025
Motorcycle sales ease slightly amid continuing consumer caution 7 April 2025
Automotive industry urges Easter road safety 16 April 2025
Off-Road Alert: Stay safe over long weekends 16 April 2025
Market slows and plug-in hybrids decline 5 May 2025
FCAI Appoints New Board 23 May 2025
NSW investment in EV chargers welcomed 26 May 2025
Solid vehicle sales in May 2025 4 June 2025
Practical approach to vehicle emissions 13 June 2025
Lack of demand stifling NVES 30 June 2025
Utes dominate as automotive market holds strong 3 July 2025
Motorcycle market steady in first half of 2025 8 July 2025
Federal Court confirms outcome in dealer case 9 July 2025
Buyer confidence delivers best July on record 5 August 2025
'Real world' testing can lead to customer confusion 7 August 2025
FCAI launches updated online hub for ATV safety 8 August 2025
New brands surge in strong August sales 3 September 2025
Statement on 2035 climate target 18 September 2025
New vehicle sales remain strong in September 3 October 2025
Scooters lead growth in motorcycle market 8 October 2025
Hybrids gain momentum in October market 6 November 2025
NSW boost for regional EV charging welcome 21 November 2025
Victorian boost for motorcycling safety welcome 2 December 2025
Plug-in hybrids build momentum as petrol declines 3 December 2025

Financial Statements

The Financial Statements for the year ended 31 December 2025 have been prepared.

The Financial Statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements.

The Financial Statements were audited by BDO in accordance with the Australian Auditing Standards.

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