



**FEDERAL  
CHAMBER OF  
AUTOMOTIVE  
INDUSTRIES**

# ANNUAL REPORT

2022

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





# LIFE MEMBERS

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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.



## 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

Ducati Australia and New Zealand

FCA Australia Pty Ltd

- Fiat
- Chrysler
- Alfa Romeo
- Jeep

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

Indian Motorcycle

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

Polestar Automotive Australia Pty Ltd

Porsche Cars Australia

SAIC Motor Australia Pty Ltd

- MG

Ssangyong Australia

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

2022



**Matthew  
Callachor**

FCAI Chairperson

No one year is ever the same as the one that precedes it. Never is that more true than in the automotive sector.

The issues and challenges facing us remain complex. There is no doubt that our dealings with Governments and regulators have a significance on our members that can have broad ranging impacts.

However, we must never lose sight of the fact that ultimately, the people we service are the millions of Australians – individuals, families, fleets, and governments – who buy and use the vehicles we bring to this country every year.

In our work through the FCAI, we should always be striving to ensure Australians can continue to have access to one of the broadest vehicle choices available anywhere in the world – regardless of function, quality, power source or price.

In my view, the Secretariat – in partnership with FCAI members – has continued to place customers at the forefront of the work being done, irrespective of the issues at play. That must – and will continue.

So, let us reflect on the market for 2022.

The calendar year of 2022 was a year of resilience and recovery with 1,081,429 sales, an increase of three per cent on the previous year.

The Australian and global economies were still on the recovery journey from the COVID pandemic, and we saw continuing impact on vehicle production, components suppliers and microprocessor shortages.

The industry also was significantly impacted by changes in shipping schedules.

It is important to acknowledge the massive efforts from all members in their efforts to meet customer expectations and manage deliveries in what was – and continues to be – a challenging and changing environment.

So far, 2023 is tracking positively, and we are starting to see sales results that provide a better view of the underlying strength in the market.

The results to date also show us very clearly where the customers' preferences lie.

In March, there was no passenger sedan in the top ten. In April, two models classified as passenger vehicles were in the top ten sales. The



preference for the larger SUVs and Light Commercials remains extremely strong.

Naturally, we must remain responsive to the vehicle needs and wants of our customers.

However, this preference for larger vehicles does present challenges – especially during the short term – as we seek to reduce CO2 emissions.

One year into the term of the Albanese Government it is clear that Australia is on the pathway to developing a plan for emissions reduction from transport as part of the overall commitment to net zero emissions in 2050.

The Australian automotive sector fully supports the introduction of a fuel efficiency standard. It will be a critical step in the longer-term pathway to a cleaner environment.

And that is a key point – this is about reducing emissions, and all forms of emissions reduction technology should be a part of the solution as we transition to a new mobility future.

However, as the VFACTS data shows, a fuel efficiency standard for Australia must be designed for the Australian market.

It must be ambitious. It must be achievable. And it must be set at a level that helps and encourages the industry to bring the right vehicles to Australian customers at a price they can afford.

The FCAI acted on this issue in 2020 with the introduction of its own voluntary emissions reduction standard, arguably the only country in the world to do that.

That voluntary standard will be set aside with the introduction of a federally led scheme.

The FCAI Board members and the Secretariat remain highly engaged with the Federal Government in pursuit of an outcome that meets the objectives of all key participants – Government, the industry and critically, the customers.

In that light, it was very important to see participants in the industry unite at Parliament House in Canberra on 6 September last year to present a united view to Government on the pathway to emissions reduction.

I want to acknowledge the continuing support of other automotive peak bodies –

- Australian Automotive Dealer Association,
- Motor Trades Association of Australia,
- Australian Automobile Association,
- Australian Automotive Aftermarket Association and
- National Automotive Leasing and Salary Packaging Association

It is very pleasing that on critical issues, the industry peak bodies and their affiliated organisations across the country can work cooperatively in the interests of the best outcomes for all stakeholders.

That one issue will continue to occupy significant time for FCAI throughout 2023 and all members are encouraged to support the Secretariat on this journey.



However, as is the case for FCAI, there are many other diverse issues on the agenda.

Biosecurity issues at some ports have been – and to some extent continue to be – problematic.

Of course, we will do everything we can to ensure we meet the biosecurity requirements of the Australian Government and protect our borders.

I want to acknowledge the significant work that continues to take place across the FCAI members in efforts to move vehicles off the dock and into the hands of customers as quickly as possible.

I also remain confident that we will start to see some relief from this issue as countermeasures are put in place both locally and around the world that improve the supply of vehicles to our customers and protect our national biosecurity borders.

The FCAI adds value in circumstances such as this by addressing the issues that are common to us all as an industry.

In that context, let me mention a number of other areas of work that are well underway that will have an impact on us into the future.

The end of vehicle life project is progressing with a grant from the Federal Government in conjunction with Motor Trades Association of Australia and Deloitte. In its most simple form, this is a project to determine the disposal and recycling of vehicles when they end their useful life.

Given the large range of vehicles on Australian roads, their varying

technology and materials and drivetrains, this is an exceptionally detailed and complex piece of work.

It will involve high levels of engagement at all levels of government – Federal, State and Territory and Local, along with a broad range of supporting industries.

Other areas of focus during the past year and continuing to evolve include matters relating to franchising models and distribution chains, service and repair, connected and automated vehicles, vehicle standards, safety and logistics.

Road user charging is now starting to be mentioned more frequently in government circles these days, especially as the fleet continues to electrify and awareness grows around the impact on fuel excise.

The outcome of the current High Court matter regarding road user charging in Victoria will provide significant insight into the future direction on this issue, noting the case is as much about State and Territory rights to raise revenue as it is around road user charging.

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

There was a jump in sales during the COVID period as this option for personal transport – and personal recreation – became an increasingly popular option for many people. Motorcycles were an attractive option for discretionary spending in the absence of other alternatives such as travel.

Motorcycles continue to advance in terms of available technology for safety and rider assistance such as





ABS, and we can expect to see that grow.

Similarly, we are at the very early days of electrification in this segment, and we look forward to seeing further developments during the coming years.

This brings me to the point of action in courts and litigation.

Some members are deeply engaged in some matters that are complex, broad ranging and potentially can impact operations.

The matters can be time consuming and require significant resources to manage.

However, the impact of our industry on such a broad range of sectors such as environment, data, safety, consumer affairs, taxation and many more means that we can be increasingly exposed to matters that can end up in legal disputes and the courts.

Of course, there are commercial and legal considerations around these matters, however where we can, we should share experiences so we can all learn and consider implications for our own brands and ideally bring better outcomes for all stakeholders.

First, I want to thank the FCAI board for its support during my term of Chair.

Despite our competitive environments, I believe we should remain grateful – and always work to protect – the outstanding level of cooperation, open

communication and friendship on matters that affect us all.

Second, I want to thank Tony Weber and acknowledge the continuing effort from the Secretariat.

Compared with some industry groups the FCAI is small, however the team continues to work on a broad range of fronts domestically and internationally to strive for the best outcomes for our industry and Australian consumers.

Finally, I want to acknowledge again that we are living in a period of change in our sector that is unprecedented.

The actions and decisions we take now will set the agenda and the trends for the next 20 years and beyond.

We need to continually challenge the status quo and regularly test the notion around whether the regulations and policies in our industry are appropriate.

Do they provide clarity? Do they provide direction? Do they provide a pathway for an industry that is constantly evolving in terms of complexity, sophistication, ambition, technology, customer expectations and global trends?

That brings with it tremendous responsibility.

But it also brings a great level of excitement, engagement, energy and anticipation of the future mobility we can deliver to this country.

(AGM 24 May 2023)





## The 2022 ANNUAL GENERAL MEETING

The 2022 AGM occurred on Wednesday 25 May.

It was held at The State Library of Victoria, Melbourne.

### 2022 FCAI BOARD

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

Stephen Connor  
(Director)  
Managing Director of Volvo Car  
Australia

Vinesh Bhindi  
(Deputy Chairperson)  
Managing Director, Mazda Australia  
Pty Limited

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

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

Colin Christie  
(Director)  
Managing Director, Inchcape Australia

Paul Sansom  
(Deputy Chairperson)  
Group Managing Director, Volkswagen  
Group Australia

Adam Paterson  
(Director)  
Managing Director, Nissan Australia

Stephen Collins  
(Treasurer)  
Chief Operating Officer, Honda  
Australia

John Kett  
(Director)  
Chief Operating Officer, Hyundai Motor  
Company Australia

Kevin Flynn  
(Director)  
Managing Director and CEO of FCA  
Australia

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

## STATE OF THE AUTOMOTIVE INDUSTRY IN 2022

Australia's automotive industry delivered more than one million new vehicles to drivers around the country in 2022, despite post-pandemic supply chain challenges and delivery delays.

A total of 1,081,429 vehicles were delivered during an unusual year when demand exceeded supply.

The pathway through COVID recovery, microprocessor shortages and bottlenecks due to global shipping issues had created great challenges for car makers and their dealer networks in 2022.

Battery electric vehicles accounted for 3.1 per cent of sales.

The preference for SUVs and light commercial vehicles continued to increase throughout 2022. A total of

574,632 SUVs were sold, representing a substantial rise in popularity within this segment.

Light commercial vehicles saw an increase in sales as well, with a total of 256,382 vehicles sold for the year. Passenger vehicle sales totalled 203,056, while heavy commercial vehicles accounted for 47,359 units sold.

Toyota remained the highest-selling brand for the year, with 231,050 vehicles sold, capturing a significant portion of the market. Toyota's result was followed by Mazda, which sold 95,718 vehicles, Kia with 78,330 vehicles, Mitsubishi with 76,991 vehicles, and Hyundai with 73,345 vehicles.

### Market Segmentation

Class	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	TOTAL
Passenger	15,737	15,685	21,999	15,444	17,252	18,450	16,048	19,997	17,490	13,321	16,692	14,941	203,056
SUV	39,597	44,935	50,893	42,370	51,459	52,507	44,704	48,571	49,643	48,463	52,395	49,095	574,632
Light Commercial	18,259	21,709	24,194	19,636	21,528	23,852	20,039	22,472	22,252	21,447	21,449	19,545	256,382
Heavy Commercial	2,270	3,011	4,147	3,615	4,144	5,165	3,670	4,216	4,170	4,068	4,544	4,339	47,359
<b>TOTAL</b>	<b>75,863</b>	<b>85,340</b>	<b>101,233</b>	<b>81,065</b>	<b>94,383</b>	<b>99,974</b>	<b>84,461</b>	<b>95,256</b>	<b>93,555</b>	<b>87,299</b>	<b>95,080</b>	<b>87,920</b>	<b>1,081,429</b>

### MOTORCYCLE / SSV

A total of 99,030 motorcycles and OHVs were sold representing a decrease of 19.8 per cent on 2021 figures. Off road motorcycle sales were 42.1 per cent of total sales with 41,681 units sold in 2022, a decrease of 21.5 per cent on 2021 figures.

Road motorcycles were 36.6 per cent of total sales recording 36,208 sales. This represents a decrease of 2.8 per cent on 2021 figures.

The OHV segment decreased 44.1 per cent per cent on 2021 figures largely caused by the withdrawal of a large number of all-terrain vehicles from the Australian market following regulatory changes.



Total OHV sales were 15,825 representing 15.9 per cent of the overall market. Scooters were the smallest portion of the market with 5,316 new units sold. This represents 5.4 per cent of the overall market and is an increase of 10.3 per cent on sales in 2021.

<b>Class</b>	<b>Sales 2022</b>	<b>Sales 2021</b>	<b>% Change</b>
OHV	15,825	28,321	-44.10%
Off Road	41,681	53,118	-21.50%
Road	36,208	37,270	-2.80%
Scooter	5,316	4,821	10.30%
<b>TOTAL</b>	<b>99,030</b>	<b>123,530</b>	<b>-19.80%</b>



## FCAI KEY ACTIONS

### SUBMISSIONS

The Secretariat made over 20 submissions to State, Territory and Federal Governments including:

FCAI Submission to ACCC motor vehicle service and repair information sharing Scheme – Draft Guidance for data providers

FCAI Response to Lane Keeping Systems for Light Vehicles Regulatory Impact Statement

FCAI Response to Vehicle Reversing Aid Technologies Regulatory Impact Statement

FCAI views on ADR 80/04 – Emission Control for Heavy Vehicles Exposure Draft Consultation.

FCAI Submission to Maritime Logistics System Submission

FCAI views on A new B20 fuel standard and Changes to the Diesel fuel standard Consultation.

FCAI views on Fuel Standards Consultative Committee – Consultation Paper, B20 fuel quality standard and 20 Information Standard.

FCAI Response to Better fuel for cleaner vehicles draft Regulation Impact Statement for consultation

FCAI Response to Electric Vehicle Charging Stations – Trade Measurement Policy Consultation Paper

FCAI views on Fuel Standards Consultative Committee Discussion Paper Sulfur Amendment – Fuel Quality Standards (Petrol) Determination 2019 and Fuel Quality

Standards (Ethanol E85) Determination 2019

FCAI Response to Independent Fuel Legislation Review

FCAI Submission to Low Emissions Technology Statement 2022

FCAI Submission: National EV Strategy Consultation Paper Submission

FCAI response to: NSW Consultation Paper: Proposed introduction of Light Electric Vehicle mechanic and Heavy Vehicle mechanic repair classes in NSW

FCAI response to NSW Discussion Paper: Statutory review of the Gas and Electricity (Consumer Safety) Act 2017

FCAI submission to: Motor Dealers and Repairers Amendment (statutory Review) Bill 2022

FCAI Submission to NTC On-road enforcement for Automated Vehicles in Australia

FCAI response to: Regulation of Waste Exports - Cost Recovery

FCAI review of Hydrogen Regulation: Hydrogen Industry Consultation

FCAI Response to Supporting business through improvements to mandatory standards regulation under the Australian Consumer Law Regulatory Impact Statement.



## KEY MEDIA ACTIVITY

FCAI releases VFACTS 2021 new vehicle sales figures (6 January 2022)

FCAI releases motorcycle sales for 2021 (11 January 2022)

FCAI releases January 2022 new car sales figures (3 February 2022)

FCAI releases February 2022 new car sales figures (3 March 2022)

FCAI welcomes Queensland Government electric vehicles incentives (16 March 2022)

Rising cost of living throws spotlight on tax reform for Australian motorists (23 March 2022)

Three State Governments lay foundation for a transport sector powered by hydrogen (25 March 2022)

Australia's automotive industry delivers on emission reduction targets (29 March 2022)

FCAI welcomes further EV subsidies for Victorians (2 April 2022)

FCAI releases March 2022 new car sales figures (5 April 2022)

FCAI releases motorcycle sales figures for first quarter 2022 (8 April 2022)

FCAI releases brand CO2 emissions data (12 April 2022)

Monitoring CO2 emissions from passenger cars and light commercial vehicles in 2021 (12 April 2022)

Federal funding to increase fuel quality (13 April 2022)

Global issues continue to dampen new car deliveries (4 May 2022)

FCAI welcomes Western Australia's Electric Vehicle package (10 May 2022)

Time for Federal Government to adopt FCAI CO2 target (23 May 2022)

Supply constraints continue to restrict new vehicle market (3 June 2022)

FCAI appoints new Board (7 June 2022)

FCAI seeks Government mandated vehicle emissions target (17 June 2022)

FCAI welcomes NSW investment in EV infrastructure (20 June 2022)

FCAI Feedback: Hydrogen Safety Code of Practice (24 June 2022)

Supply constraints continue to restrain new vehicle market (5 July 2022)

FCAI releases motorcycle sales data (11 July 2022)

Automotive organisations reach a historic agreement on national fleet transition (28 July 2022)

FCAI Releases Three-Point Plan to Drive Lower Carbon Emissions/S&P Global Research Summary (2 August 2022)

FCAI releases new car sales figures for July 2022 (3 August 2022)

S&P Global Research Summary – Australian Pathways to Reducing Vehicle Emissions and Electrification of Fleet (8 August 2022)

FCAI Endorses Government Approach to Emissions Reduction (19 August 2022)



FCAI releases new car sales figures for August 2022 (5 September 2022)

Auto sector unites to build a pathway to a low emissions future (7 September 2022)

FCAI Welcomes Federal Government's Electric Vehicle Discussion Paper (28 September 2022)

Strong Electric Vehicle Sales recorded in September 2022 (5 October 2022)

FCAI releases motorcycle sales for January – September 2022 (10 October 2022)

Australia's Preference for SUVs and Light Commercials Continues to Grow (4 November 2022)

FCAI welcomes consultation on Fuel Quality Standards (18 November 2022)

Ride Your Motorcycle More (22 November 2022)

A technology mix and infrastructure investment key to decarbonising the carpark (25 November 2022)

Car makers welcome electric car discount (25 November 2022)

FCAI releases new car sales figures for November 2022 (5 December 2022)



# AUDITOR'S REPORT



## Independent auditor's report

To the members of Federal Chamber of Automotive Industries Limited

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### 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 2022 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 2022
- 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, which include significant accounting policies and other explanatory information
- the directors' declaration.

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### 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 2022, 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.

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.

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#### 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.

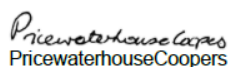
In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company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

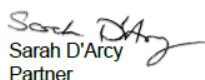
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#### Auditor's responsibilities for the audit of the financial report

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](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

  
PricewaterhouseCoopers

  
Sarah D'Arcy  
Partner

Canberra  
24 May 2023



# CONTACT

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