

## Media Release

### Federal Budget a win for automotive retail transition as sector undergoes rapid transformation

**14 May 2024** – Australia's automotive retail sector is among the 2024-25 Federal Budget winners with a suite of new funding commitments aimed at preparing the industry for a cleaner energy future while driving new opportunities for small and medium businesses.

MTAA Chief Executive Matt Hobbs said this budget demonstrates that the Albanese Government recognises the importance of assisting the automotive sector transition as it supports the growing number of Australians making the switch to EVs.

The budget commitment of \$60 million to assist automotive businesses install EV chargers at their premises is an important first step in getting dealers and repairers EV ready while driving private investment in this essential infrastructure.

In parallel, the \$84.5 million fund to implement the New Vehicle Efficiency Standard (NVES) with a new regulator and platform to administer the scheme will ensure the needs of the sector and government are met in a changing industry environment.

"The MTAA has consistently advocated for assistance to prepare its members for the transformation taking place in the automotive sector, and the Australian Government has listened," Hobbs said.

"This Budget is the first one in recent years to acknowledge the challenges facing automotive retail businesses and shows the Australia Government understands what's required to prepare Australia for an EV future - skills, infrastructure and investment - and we commend them for the forward thinking demonstrated through this budget.

"With the automotive retail sector predominately made up of small and medium businesses, our members are engaging with Australian consumers everyday as they turn to newer, cleaner powertrains for their daily drive. This is therefore good news for industry, but also for all Australians."

Federal Budget measures announced on Tuesday night of which the automotive industry stands to benefit also include:

- \$10,000 in grants for apprentices working with EVs and wage subsidies for their employers
- \$50 million capital and equipment investment fund for facility upgrades to expand clean energy training capacity
- \$30 million for a clean energy teacher, trainer and assessor workforce
- \$1,500 in annual reimbursements for employers accessing Group Training Services for their clean energy apprentices
- \$55.6 million for the Building Women's Careers program supporting women to enter male dominated industries and address critical skills shortages
- \$265.1 million to provide additional targeted support under the Australian Apprenticeship Incentive Scheme

"This budget lays the foundation for a cleaner energy future for the automotive sector who wish to make their contribution to reducing emissions by supporting more greener cars on the road," said Hobbs.

"While this budget is certainly a big step in the right direction, there is more work to be done to ready Australia for an EV future and realise its net zero objectives," said Hobbs. "One area which requires urgent reform is the Luxury Car Tax, yet disappointingly the Government is penalising everyday family hybrids with a tightened fuel efficiency threshold from 1 July – such a move makes no sense when the aim is to encourage more households to shift to lower emission vehicles."

"The MTAA will continue collaborating with the Australian Government to ensure that all Australians can access the vehicles they want and need while the automotive retail industry has the regulation, expertise, equipment and facilities in place to support low and zero emission vehicles at scale."

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