

6 August 2013

FAPM WELCOMES 100% AUSTRALIAN-MADE GOVERNMENT FLEET

The Federation of Automotive Products Manufacturers (FAPM) today welcomed Federal Government's measures to mandate a 100 per cent Australian-made target for the purchase of Commonwealth fleet passenger cars.

"We are pleased that the Government has undertaken this initiative," said Chief Executive Richard Reilly

"These measures are consistent with supporting the manufacturing industry and something the FAPM have been calling for in our strategic outlook."

The Australian automotive industry has been suffering under pressures from a high Australian dollar, increasing global competitiveness and consequences of the proposed change to the FBT legislation.

The FAPM estimates that should all governments buy Australian made cars for their fleets, sales volume could be higher than the figures proposed by the Federal Government.

"If you break-down the figures across Federal, State and Local government fleets, excluding fit-for-purpose vehicles, and mandate the purchase of Australian made cars, the increase in volume could reach 30,000 cars."

"It is imperative that State and Local governments get behind this initiative. On 2012 figures, only 32.8 per cent of vehicles of taxpayer funded fleets purchased across all three tiers of government were Australian made vehicles.

This is not good enough and needs to change. Any additional vehicle volume will not only benefit the industry but the broader economy."

In response to the additional \$200m in funding Mr Reilly added: "We look forward to the results of the discussions between industry and the government."

"There should be an FBT exemption for locally made cars."

As part of its 'Plan for the Future' campaign, the FAPM proposes extending the FBT exemption to vehicles with hybrid technology or which contain factory fitted LPG systems.

Richard Reilly is available for interview on (03) 9863 2400 / 0414 292 470

To view FAPM video on automotive crisis please click on link below

<http://fapm.publish.viostream.com/fapm?v=xhwne9o8j5k8>