

NEW CAR DEALERS

RISKS OF REMOVING POINT OF SALE EXEMPTION



AUSTRALIAN
AUTOMOTIVE
DEALER
ASSOCIATION



58,232
DEALER EMPLOYEES



4,655
DEALER APPRENTICES



\$2.13 BILLION
TAX CONTRIBUTION



\$13.25 BILLION
TOTAL ECONOMIC CONTRIBUTION

18 consecutive months of **DECREASING NEW CAR SALES**¹



FINANCE & INSURANCE income **DOWN** between **8% and 10% YOY** since July 2018 **0%**



0.57%
DEALER PROFIT as a percentage of sales revenue²



42% of Dealers are **LOSS-MAKING**³

In light of the Governments proposed Point of Sale Exemption removal, Deloitte looked at consequences of further reductions in Finance and Insurance income

DEALER PROFITABILITY could fall to **-0.2% Net Profit**, resulting in

53% OF DEALERS BECOMING UNPROFITABLE



¹VFacts September 2019.

²between July 2018 and April 2019, dropping from 1.2% for the same period last year.

³between July 2018 and April 2019.