

DEALERS WELCOME SENSIBLE CHANGES TO THE ELECTRIC CAR DISCOUNT

5 May 2026

The Australian Automotive Dealer Association (AADA) welcomes the Government's announcement to adjust the Electric Car Discount ensuring it remains accessible to everyday Australians while substantially improving the Budget in challenging economic times.

With more than 3,900 new car dealerships nationwide, the AADA supports these changes to the Electric Car Discount to ensure that this demand side initiative is a sustainable policy setting which helps our members meet the current surge in demand for EVs.

"New car dealers are seeing unprecedented demand for EVs in Australia right now with current economic conditions motivating everyday Australians into low emission vehicles," said AADA CEO James Voortman.

"As the only demand-side initiative from the Federal Government to incentivise the uptake of EVs, the reforms to the electric car discount are pragmatic changes that ensure the initiative can still be available to salary packaged employees," he said.

As electric vehicles become mainstream it is essential that the Government turns its policy focus to the consequences of the transition. This includes greater investment in the electricity grid for installation of charging infrastructure, legislating franchising protections and protecting small businesses who need light commercial vehicles.

"Our members are under incredible pressure to meet the New Vehicle Efficiency Standard (NVES). Electric vehicles have not been, and are not, the top-selling vehicles. When the NVES policy settings are tightened, Australian new car dealers will need to be shielded to protect the more than 64,000 Australians they employ," Mr Voortman said.

ENDS.

For further information please contact:

Matthew Hawkes

Head of Public Affairs

E: media@aada.asn.au

M: +61 414 629 559