KEY FINDINGS

Building a Self-Sustaining Australian EV Market

magenta ADVISORY

105,500 additional electric vehicles were purchased due to the Electric Car Discount, boosting EV market share from ~2% in 2021 to ~13% in 2024.

1.5 million additional BEVs could be added to Australia's roads by continuing the Electric Car Discount until 2035, with PHEVs potentially contributing another 200,000 vehicles.

50% reduction in carbon emissions (~4.1 MtCo2) by 2035 could be achieved by continuing BEV exemptions until 2035 and reinstating PHEV exemptions in 2026.

ROI of 2-to-1

The Electric Car Discount yielded $2.25 in wider benefits for every $1 in cost (2022-2025) – and the return is projected to rise to $3 per $1 cost incurred for 2026 to 2030 period.

870,000 additional second-hand EVs (760,000 BEVs and 110,000 PHEVs) would enter the market by 2035 by extending the Electric Car Discount and reinstating 100% PHEV exemption.

13% vs 91%

Australia's EV share of new car sales (13% in 2024) lags far behind global leaders like Norway (91%), Sweden (54%), China (48%), the UK (28%), France (24%) and Germany (20%).

Falling Behind Projections

EV sales in 2025-26 are expected to be 152% higher than in 2024-25 based on AEMO's most conservative scenario "Slower Growth", but current EV adoption is already falling behind these projections.

44km from CBD

Top EV adoption areas are 44 kms, 37 kms and 31 kms from city centres in Melbourne, Sydney and Brisbane respectively - showing high EV uptake is happening in outer suburban and regional locations.

Working Australians are the most common buyers

The most common EV buyers using the Electric Car Discount are working Australians, including teachers, nurses and tradies.

$50 million lower annual investment in EV charging infrastructure if the Electric Car Discount removed.

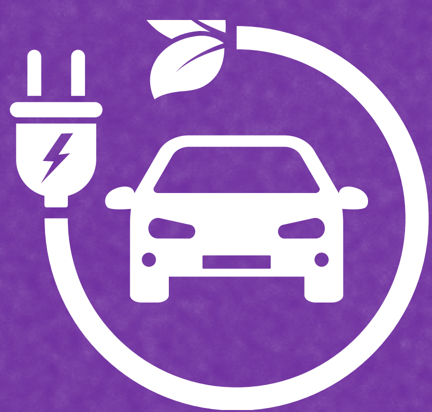
Advances National Priorities

Support for EVs accelerates the renewable transition (82% target), lowers transport costs, cuts emissions, strengthens infrastructure, improves safety, and reduces oil and gas dependence.

Source: Magenta Advisory report. Refer to the full report for detailed methodology and analysis behind these findings.

Our Recommendations

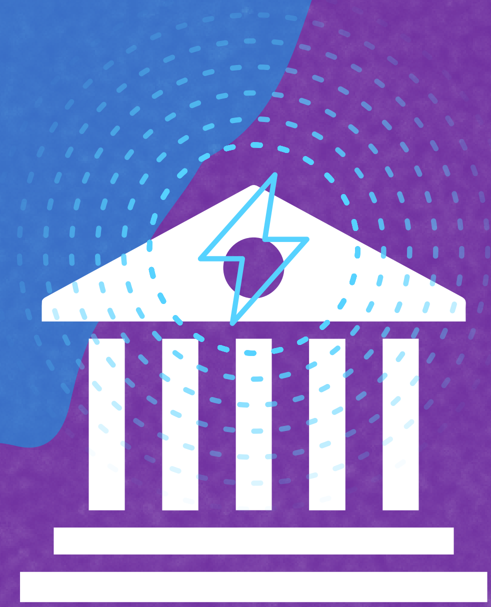
1 **Retain the Electric Car Discount for Battery Electric Vehicles (BEVs) until the market matures:** Retaining the discount increases 2035 BEV sales by up to **40%**, helping Australia meet its climate commitments.



2 **Reinstate the Electric Car Discount for Plug-In Hybrid Electric Vehicles (PHEVs):** To add up to another **200,000** electric cars to Australia's roads by 2035, with up to **110,000** second-hand PHEVs.

3 **Set clear national targets for BEVs and PHEVs:** Clear EV targets provide businesses and investors with predictable demand signals, enabling confident long-term investment decisions in manufacturing, infrastructure, and supply chains.

4 **Increase investment in EV charging infrastructure:** Expanded charging infrastructure eliminates range anxiety, the primary barrier preventing EV adoption, while creating market confidence that attracts automakers and accelerates uptake.



5 **Government-led consumer information to address misinformation:** Clear and direct information from trusted government sources can counter myths while educating consumers about available incentives.

Source: Magenta Advisory report. Refer to the full report for detailed methodology and analysis behind these findings.