



5 December 2018

A New All-time Australian Heavy Vehicle Sales Record

At December year end 2007 a new all-time heavy vehicle sales record was set in Australia. The following year our nation felt the effects of the Global Financial Crisis and truck sales plummeted. For over a decade industry has waited for a new bench mark to be set. Finally, eleven years on, the record books can be rewritten. 2007 saw a total of 38,131 heavy vehicle sales for the year. At the end of November 2018 we have surpassed that mark with December sales still to come. The 2018 year-to-date sales tally stands at 38,173 a new record and with only 1,827 sales now required in December to break the 40,000 mark for the first time ever, that benchmark is very likely to fall too. Average December sales over the past five years have been 3,020, if this holds true for next month, then the final tally for 2018 should be just over 41,000 heavy vehicle sales.

The month of November again showed that the sales boom is slowing with only single digit growth being recorded in the Heavy and Light Duty truck sectors, as opposed to the double digit growth seen for most months in 2018, while the Medium Duty truck and Light Duty van markets receded when compared to November 2017 sales. In percentage terms the market sectors were as follows, Heavy Duty sales up by 7.5 percent for the month compared to November 2017, the Medium Duty truck segment was down -4.6 percent, Light Duty trucks up 7.5 percent, while Van sales were down when compared to this time last year by -9.0 percent.

As detailed above, the Heavy Duty truck segment was up again in November, continuing its yearlong trend, with a total of 1,399 units delivered, up 7.5 percent, or 97 trucks on November 2017. Year-to-date the result is better with Heavy sales tracking up 22.4 percent over those of the same period last year, with total Heavy truck sales to the end of November reaching 13,158. In terms of actual truck numbers, the sales gap has now stretched to well over two thousand (2,406) more Heavy trucks sold year-to-date than in 2017. If we look back to the record year of 2007, we see that the 2018 Heavy Duty segment is ahead. At the end of November 2007 the Heavy truck tally stood at 11,964 trucks, in November 2018 the segment is ahead by 10 percent (1,194 trucks).

Medium Duty truck sales have been the second strongest growth segment in 2018, behind the Heavy Duty sector. However November was a poor month, down 4.6 percent (-34 trucks) over the same month last year, a total of 710 new Medium trucks being delivered in November. Year-to-date the news is quite positive though, with Medium truck sales ahead by 872 units, a gain of 13.1 percent over 2017 year-to-date.

The Light Duty truck sector has been performing well over the past couple of years and while that trend has slowed a little in 2018 the segment is still outperforming 2017 results. In November small truck sales were up 7.5 percent (80 trucks) over the corresponding month last

year. Eleven hundred and fifty three (1,153) Light trucks were delivered in November, bringing the year-to-date sales tally to 11,941 for the Light Duty truck segment. This is 13.0 per cent, or 1,370 trucks, up over the same period in 2017.

As per 2017, the Light Duty Van segment has been a bit of a roller coaster ride in 2018, however sales continue to track just above last year's levels year-to-date. A total of 465 new vans were sold for the month of November, a decrease of 46 units (-9.0 percent) over the November 2017 result. Year-to-date a total of 5,557 vans have been delivered to the end of November 2018, up 3.2 percent (173 vans) compared with the same period last year.

Tony McMullan, the TIC's Chief Executive Officer, stated "It is pleasing to see that the 2007 heavy vehicle sales record has finally fallen. However, in the eleven years since that benchmark was set, we have witnessed the age of the Australian truck fleet steadily grow older, from 14.4 years in 2007 to 15 years average age in 2017, as the nation's freight task continues to grow year-on-year. Fleet replacement has not kept pace with this growth. It will in fact take more than a decade of record sales for the truck park to return to 14.4 years average age, a number that is twice that of most European countries. So why do I mention this, when many might expect celebrations are in order for this new record? The answer is simple, the Australian road toll is too high and heavy vehicles are over represented in those crashes and this is partly to do with the fact that the older trucks in our nation's truck fleet do not feature the advanced safety features found in newer trucks. So while TIC and our members are celebrating this new milestone, we are very conscious that there is more work that must be done to improve heavy vehicle road safety in the years ahead". Mr. McMullan concluded.

Truck Industry Council is the peak body representing all suppliers of on-road heavy vehicles in Australia. TIC members represent 16 truck brands currently on sale in Australia, plus four truck engine and major component brands.

**T-Mark is a database that compiles all trucks (that is, non-passenger carrying vehicles with Gross Vehicle Mass above 3,500 kg) sold into the Australian market that comply with Australian Design Rules. All road registered vehicles are captured, plus most of the off-road vehicles. Monthly data reports are made available to TIC members and the media.*

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