

LEADING AUTOMOTIVE INNOVATION

MEDIA STATEMENT

Thursday 15 August 2019 FOR IMMEDIATE RELEASE

MTA Queensland Backs Reform to Automotive Franchising

Yesterday the Morrison Government announced that it intends to implement a range of reforms to automotive franchising arrangements.

In a joint media release with Senator the Hon Michaelia Cash, Minister Karen Andrews said the reforms will facilitate more transparent and cooperative operations for new car retailing.

The proposed changes will provide a balance between vehicle manufacturers and the dealer networks via a separate Automotive Code of Conduct, or similar protections for the retailers, enshrined in a schedule to the existing Franchising Code.

The release indicates a range of reforms to automotive franchising to be considered which is very positive, after significant public consultation outlining strong concerns from new car dealers about the need for a level playing field for all operators, from large dealerships to small family businesses.

Dr Brett Dale, Group CEO for the Motor Trades Association of Queensland said, "The Australian Automotive Dealer Association (AADA) issued a media release yesterday, which welcomes the commitment, and outlines their desire to work with the government on implementing the reforms. We strongly support AADA's position and look forward to more detail in relation to the mechanism for the reforms and associated timelines.

"It is a strong sign of progress from the government that they intend on providing specific protections for franchised new car dealers, which will result in a fairer system for consumers, dealers and manufacturers."

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For more information:

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Background:

The Motor Trades Association of Queensland (MTA Queensland) is the peak body representing the interests of employers in the retail, repair and service sectors of Queensland's automotive / mobility industry. There are some 15,500 automotive value chain businesses employing in excess of 90,000 people, that generate more than \$20 billion annually. The Association represents and promotes issues of relevance to the automotive / mobility industry to all levels of Government and within Queensland's economic structure.

The Association is the leading automotive training provider in Queensland offering nationally recognised training, covering technical, retail and the aftermarket sectors of the automotive industry through the MTA Institute (RTO 31529) - a registered training organisation. It is the largest private automotive apprentice trainer in Queensland employing experienced trainers who are geographically dispersed from Cairns to the Gold Coast and Toowoomba to Emerald. In the last year, the MTA Institute delivered accredited courses to more than 2,000 students. The MTA Institute is the first trade RTO in Australia to be approved under the ACPET Industry Certification Program.

MTAiQ, Australia's first automotive innovation hub established by MTA Queensland, is an eco-system that supports innovation for mobility and the motor trades.