

MTATE LEADING AUTOMOTIVE INNOVATION

MEDIA RELEASE

Friday 23 October 2020 FOR IMMEDIATE RELEASE

MTA Queensland Supports New Rights for Franchisees, Fuel Retailers and Small Businesses

The Australian Competition and Consumer Commission (ACCC) introduced this week a class exemption that will allow small businesses, franchisees, and fuel retailers to collectively negotiate with their supplier, franchisor, manufacturer or fuel wholesaler, without the need for ACCC approval.

The ACCC has indicated that although collective bargaining by small businesses generally does not harm competition, it does involve competitors working together, and those businesses consequently need exemption to avoid breaching competition laws.

The collective bargaining exemption will provide franchised new car dealers and service stations the ability to collaboratively negotiate future contracts and agreements in a more effective manner from early 2021.

Additionally, allowing franchisees to negotiate as a group cuts through the regulatory red tape that comes with organising collective bargaining rights, reducing both the time and money spent during the process.

The Motor Trades Association of Queensland, Group Chief Executive, Dr Brett Dale said, "This exemption is welcomed by our new car dealer franchisees and some of our small business

Motor Trades Association of Queensland

and service station members, who will no longer have to negotiate as individuals, but instead as a collective, unified front.

"Many of our members have reported difficulties when it comes to negotiating with much larger offshore manufacturers due to the imbalance of power that currently exists between the two parties. This will provide them with increased negotiation tools and will serve to support them in gaining fairer agreements going forward which ultimately leads to better outcomes for consumers."

ENDS

For more information:

Lysa Dugandzic | General Manager - Marketing & Communications | 0428 510 163 | lysad@mtag.com.au

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. In 2019 MTA Queensland was announced as an ABA100 winner in The Australian Business Awards and a finalist in the Lord Mayor's Business Awards, for Business Innovation.

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 independent 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 ITECA Industry Certification Program and was announced the winner of the Small Training Provider of the Year at the 2019 Queensland Training Awards.

MTAiQ, Australia's first automotive innovation hub established by MTA Queensland in 2017, is an eco-system that supports innovation for mobility and the motor trades.

Motor Trades Association of Queensland