

FOR IMMEDIATE RELEASE
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MTA Queensland Welcomes Federal Budget, But More Work Needed

MTA Queensland acknowledges the Australian Government's 2025-26 Budget, delivered by Treasurer Jim Chalmers on 25 March 2025. The budget outlines several initiatives impacting both our member businesses and the broader automotive industry, with some notable wins, as well as ongoing areas requiring further advocacy.

MTA Queensland particularly welcomes the Budget's measures to extend protections from unfair trading practices and unfair contract terms to all automotive franchised new vehicle dealers. These changes aim to address the power imbalance between dealers and vehicle manufacturers. Additionally, the Government's commitment of \$7.1 million over two years to strengthen the ACCC's enforcement of the Franchising Code of Conduct is a positive step forward.

These measures come at a crucial time for the Australian automotive industry. Just last week, Holden dealers lost their class action against General Motors over the company's decision to exit the Australian market. This setback, compounded by Mercedes-Benz dealers challenging the company's attempt to alter its longstanding Australian business model, highlights the ongoing challenges facing franchised dealers.

"This Budget announcement is a major win for our industry. It provides our members with greater confidence to invest in the future, ensuring they can continue delivering the vehicles Australian consumers love, while also adapting to new brands in an increasingly competitive market," said MTA Queensland CEO, Rod Camm.

MTA Queensland also welcomes the Budget's additional support for small and medium businesses, including energy bill relief, energy efficiency grants, and enhanced digital and cyber solutions.

"These initiatives are vital for helping businesses navigate the ongoing challenges of rising operational costs, particularly in the energy sector. The energy bill relief, which will assist small businesses in managing their energy expenses, will ease the pressure on cash flow and ensure businesses can focus on growth and innovation."

In contrast to the support provided to various sectors, this Budget highlights the persistent strain on Australian drivers through outdated automotive taxes such as the Luxury Car Tax and Passenger Vehicle Tariff. These taxes continue to impose unnecessary financial burdens, particularly on consumers who choose vehicles that are more fuel-efficient, environmentally friendly, or equipped with advanced safety technologies.



“This is an outdated policy that fails to align with the Government's goals of reducing emissions and enhancing road safety. The Luxury Car Tax was introduced when Australia had a domestic vehicle manufacturing industry, but it no longer serves its original purpose. Today, it unfairly penalises consumers who opt for vehicles that are more energy-efficient and better equipped to enhance driver and passenger safety,” said Camm.

The Budget also leaves small businesses in a state of uncertainty regarding the future of the Instant Asset Write-Off scheme, with no mention of its extension or renewal. This scheme plays a vital role in helping businesses invest in productivity-enhancing equipment, yet its future remains unclear.

“Small businesses need certainty around the Instant Asset Write-Off. Not only has it been left unaddressed in the Budget, but it has yet to be legislated for this financial year,” said Camm.

As the voice of the automotive industry, MTA Queensland remains committed to advocating on behalf of our members, driving positive change, and working towards a prosperous future for the sector. We will continue to work with the Government for necessary reforms and ensure that the needs of our industry are heard.

For a detailed summary of the Federal Budget measures and their impact on the automotive sector, read MTA Queensland's full budget breakdown [HERE](#).

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For more information:

Jade O'Shea | Senior Marketing & Communications Coordinator | 3237 8721 | jadeo@mtaq.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 industry. MTA Queensland has been performing its vital representative role for the automotive industry since 1929. In Queensland there are some 16,000 automotive businesses employing more than 90,000 people, that generate more than \$7.24 billion to the state economy annually. The automotive industry is estimated to contribute \$37 billion to the Australian economy each year. The Association represents and promotes issues of relevance to all levels of government. 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 **MTA Institute (RTO 31529)** is the leading automotive training provider in Queensland offering nationally recognised training, covering technical, retail and the aftermarket sectors of the automotive industry. The MTA Institute is the largest independent automotive training provider 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 the winner of the Small Training Provider of the Year at the 2019 Queensland Training Awards.

