

14 March 2019

## **Dealers welcome increased protections outlined in the Report of the Franchising Inquiry**

The peak body representing Australia's franchised new car Dealers has welcomed calls for increased protections for Dealers contained in the report from the Parliamentary Inquiry into Franchising.

"We welcome the recommendation for changes to the Franchising Code, to embody specific industry protections within schedules to the current Franchising Code."

"While the Report stopped short of recommending our preferred approach of a standalone Automotive Code, we are prepared to discuss with Government the Committee's proposal for a core Franchising Code with greater powers, and schedules to the Code that address specific industry considerations," said AADA CEO David Blackhall.

"We particularly welcome the prohibition on unilateral changes to the Terms and Conditions of Dealer Agreements, and the buyback conditions for stock, parts and equipment when a Dealership Agreement is terminated. The Government needs to include these proposals in their consideration of a standalone Automotive Code," he said.

"It is now very important for the Government to respond to the Inquiry Report quickly. This will maintain momentum and address the power imbalance between overseas vehicle Manufacturers and local new car Dealers, which currently leaves Australian businesses and their many employees extremely vulnerable," he said.

ENDS

For further information please contact:

James Voortman  
0452 535 696  
[media@aada.asn.au](mailto:media@aada.asn.au)