

AADA WELCOMES GOVERNMENT ANNOUNCEMENT ON SUPPLIER INDEMNIFICATION AND UNFAIR TRADING PRACTICES, HOWEVER MORE TO BE DONE

23 November 2025

The Australian Automotive Dealer Association (AADA) welcomes the commitment by Consumer Affairs Ministers to improve supplier indemnification under the Australian Consumer Law and the announcement that work has commenced to introduce an Unfair Trading Practices regime to franchising.

This announcement is testament to the effective work of Minister Andrew Leigh and represents a crucial first step in giving confidence to new car dealers to provide new and emerging car brands and technologies to consumers.

With Government policies such as NVES and the FBT Exemption for electric vehicles incentivising a record amount of new car manufacturers to enter the Australian market, it is imperative to have in place strong consumer and dealer protections.

“The AADA is seeing an unprecedented number of new brands entering or signaling their intention to come to Australia. This will bring positive consumer outcomes in terms of competitive pricing, but it is important that adequate protections are also in place,” said AADA CEO James Voortman.

The changes to the law will make it harder for international car brands to escape their indemnification obligations under the ACL and result in better outcomes for dealers and consumers. The ACCC and other inquiries have found that new car dealers often struggle to enforce their statutory rights to be indemnified when honouring their ACL obligations with existing brands let alone new untested brands.”

While this is a very important first step, the AADA believes a lot more work needs to be done to ensure that Australia’s consumer law framework is fit for purpose for the challenging times ahead when consumers are looking to purchase new and emerging brands.

The AADA also commends the announcement that work has begun on their election commitment to introduce an Unfair Trading Practices regime to the Franchising Code of Conduct. Recently a Federal Court Judge [found](#) that amendments must be made to the Franchising Code in order to protect dealer’s investments.

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