

AADA CALLS ON PARLIAMENT TO BACK AUSTRALIA-EU FREE TRADE AGREEMENT

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The Australian Automotive Dealer Association (AADA) is calling on the Australian Parliament to support the Australia-European Union Free Trade Agreement and help deliver its benefits for Australian consumers and businesses.

AADA welcomed the conclusion of negotiations earlier this year, particularly the removal of the 5 per cent tariff on passenger vehicles imported from the European Union.

AADA CEO James Voortman said the agreement builds on a longstanding automotive trading relationship between Australia and Europe and the deep commercial partnerships that have developed between Australian franchised dealers and European manufacturers.

“European automotive brands have been an important part of the Australian new car market for decades, supported by Australian dealers who have invested significantly in facilities, people, training and their local communities,” Mr Voortman said.

“Brands such as Volkswagen, BMW and Audi have longstanding franchising relationships with Australian dealers. These relationships have brought European vehicles and technology to Australian consumers while supporting dealerships, jobs and investment across the country.”

“This agreement strengthens those relationships by removing an unnecessary 5 per cent tariff on European vehicles and putting downward pressure on the cost of bringing those vehicles to Australia.”

Mr Voortman said removing barriers to trade would support consumer choice while contributing to the **long-term sustainability of Australia’s automotive retail sector**.

“Australia is home to one of the most diverse new car markets in the world. Maintaining strong trading relationships with major automotive markets such as Europe is important to ensuring Australian consumers continue to have access to a broad range of brands and vehicles,” Mr Voortman said.

“This agreement is also bigger than automotive. It represents an opportunity to deepen Australia’s economic relationship with Europe at a time when strong and open international trading relationships are increasingly important.”

AADA continues to believe the agreement should have gone further on reform of the Luxury Car Tax, but Mr Voortman said this should not stand in the way of securing the broader benefits of the agreement.

“We remain disappointed that the negotiations did not deliver more substantial reform of the Luxury Car Tax, but that should not prevent Australia from securing the wider benefits of this important agreement,” Mr Voortman said.

“After years of negotiations, Australia has an opportunity to strengthen an important economic and trading relationship.

“Australian dealers have a long history of doing business with European manufacturers. We urge the Parliament to support the agreement and provide greater certainty for businesses to continue investing in these relationships into the future.”

ENDS.

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