

BULLETIN

Industry Divisions



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Please see [attached](#) a VACC and Motor Trades Association of Australia (MTAA) submission to the Australian Government 'The case for exemptions from threshold and staff criteria in Federal Government COVID-19 relief packages for automotive dealer franchises'. The paper was written at the request of members of the VADA Executive Committee.

About the paper

Whilst the paper has been created using data supplied from members of the Victorian Automobile Dealers Association (VADA) it will also have relevance to Farm Machinery, Commercial Vehicle, Used Car and Motorcycle Dealers.

The paper is unapologetically data heavy. It is important that the evidence based portfolios that we have presented in the paper are fully understood by government. For too long we have seen dealers be scrutinised and penalised by governments for a range of assumptions (e.g. profit, cyber cars etc). The time for government to truly understand the dealer predicament is now.

Members of your VADA Executive Committee provided feedback and guidance as to content.

The paper has been delivered to the Australian Government by MTAA CEO Richard Dudley today. The paper supports previous lobbying efforts and policy positions put forward by VACC – MTAA prior to and after Government COVID-19 relief packages were announced. VACC CEO Geoff Gwilym has been in dialogue with Josh Frydenberg and other Federal Cabinet members pushing the case for dealers.

The key recommendation to be delivered formally to the Australian Government are:

Recommendations

That the Australian Government exempt automotive dealer franchises from staffing and turnover thresholds as currently mandated in Boosting Cash Flow for Employers relief, apprentice subsidy and commercial tenancy packages.

That the Australian Government exempt all automotive franchise dealers with an annual turnover of \$1 billion or more from the 50 per cent turnover downturn criteria mandated within the JobKeeper wage subsidy.

That the Australian Government advises the National Cabinet that automotive franchise dealers should also become eligible for all state sponsored relief and stimulus packages.

That the Australian Government extend the deadline to the enhanced instant asset write-off until 30 September 2020.

A position paper to the Victorian Government is in the final stages and will be forwarded to VADA members this week.

VACC and MTAA thank those VADA members for data input and the many, many members who provided data, interviews and just gave of their time during what has been a highly stressful and emotional time..

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