

Inclusion of motorcycle, commercial vehicle and farm machinery dealers in new car retailing franchise reforms is a priority for VACC

Members of the VACC's Motorcycle Industry Division (MID), Commercial Vehicle Industry Association of Victoria (CVIA), Farm and Industrial Machinery Dealers Association (FIMDA), VACC, and its national body the Motor Trades Association of Australia (MTAA) held a combined extraordinary meeting on 24 June 2021. The purpose of the extraordinary meeting was to discuss the acceleration of **inclusion of motorcycle, commercial vehicle, and farm machinery dealers in new car retailing franchising code reforms**.

MID, FIMDA, and CVIA members have significant investments and guarantees associated with their dealerships. The issues faced by motorcycle and farm machinery dealers are in essence no different from those of new car retailers. It was clearly articulated at the meeting that all the protections now afforded to new car retailers from July 1 2021 must be extended to the motorcycle, commercial vehicle and farm machinery dealer sectors.

Action to be taken immediately by VACC and MTAA

MID, FIMDA, and CVIA members were advised that MTAA and VACC are pushing strongly advocacy for the earliest inclusion of specific motorcycle and farm machinery dealers in the motor vehicle specific schedule to the Franchising Code. Ongoing meetings are being held with policymakers and legislators with the overarching policy position of inclusion of the excluded sectors as soon as practicable.

MTAA has advised that it is expecting a further discussion paper on the potential for an 'automotive code' to be released soon which MTAA and VACC will make submissions to. However, MTAA believes inclusion of motorcycles, commercial vehicle and farm machinery dealers in the existing new car dealer schedule will be a faster more inclusive outcome.

What do we seek from MID, FIMDA, and CVIA members?

VACC will now seek a political approach to accelerating the inclusion of MID, FIMDA, and CVIA members as part of the broader suite of reforms.

To this end seek your support in your approaching [your local Federal Member of Parliament](#) with a request for you to meet to discuss your franchise businesses contribution to the local economy and community.

VACC will provide data such as the [Directions in Australia's Automotive Industry Report 2021](#) and other supporting data. VACC will also attend any meeting at your request.

Importantly broader reforms to the Franchising Code of Conduct, that largely come into effect on 1 July 2021, **APPLY to motorcycle, farm machinery, tyre, and other franchised businesses**

- While not yet included in the specific schedule for new car dealers (Part 5) of the Franchising Code, MID, FIMDA, and CVIA members will be able to benefit from a raft of changes to the broader franchising code including the extension of some new car dealer reforms to the broader franchising Code.
- Many of the broader reforms to the Franchising Code address long-standing issues raised by MID, FIMDA, and CVIA members.

Collective Bargaining Class Exemption

It is vital that MID, FIMDA, and CVIA members are aware that from 3 June 2021, small businesses, franchisees and fuel retailers can use the ACCC's [class exemption for collective bargaining](#). This includes motorcycle, commercial vehicle, and farm machinery dealers.

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