

## **The MTAA franchise dealer and dealer council playbook to collective bargaining**

Members of VACC's Franchise Dealer Divisions joined a specially convened meeting on 20 April to discuss the suite of regulatory reforms that have been achieved by MTAA and AADA that will immediately impact all franchise dealers connected to the following industry sectors:

- Commercial Vehicle Industry Association Vic (CVIAV)
- Farm and Industrial Machinery Dealers Association (FIMDA)
- Motorcycle Industry Division (MID)
- Victorian Automobile Dealers Association (VADA)

### **What was discussed at the meeting?**

Franchise dealer members heard from Sotheary Bryant, Principal Lawyer **and** Head of Commercial at FCW Lawyers and Kendra Harrison, Associate Commercial Law at FCW Lawyers, who with Motor Trades Association of Australia (MTAA) CEO Richard Dudley, conducted a summary presentation of the FCW Lawyers - MTAA franchise dealer specific playbook '[Navigating recent automotive regulatory reforms: A roadmap for car dealers and dealer councils](#)'.

### **Why create a playbook?**

The Chairs of VADA, MID, CVIA and FIMDA had all requested that VACC create a playbook that could be used by various franchise dealers and their dealer councils.

VACC's Divisional Chairs acknowledge the driving force of MTAA CEO, Richard Dudley and VACC CEO, Geoff Gwilym in their role(s) in preparing this information for dealers.

A grateful acknowledgement to the professional and collaborative approach of Sotheary Bryant and colleagues at FCW Lawyers for developing the playbook.

### **What specific advice does the playbook include?**

The playbook features specific advice to all franchise dealers on what the recent reforms mean for automotive dealers and dealer councils with regard to:

- 1. Preparing franchise dealers and their dealer councils for the introduction of legislated exemption for collective bargaining.**
  - How Collective Bargaining can be done lawfully.
  - The role of the dealer council in the Collective Bargaining process.
  - The approach of the franchisor, and;
  - steps to take, and procedures to implement, prior to and after Collectively Bargaining.
- 2. The dealer agreement**
  - Understanding the risks and benefits of accepting the dealer agreement
  - Confirming the dealer agreement includes the mandatory [six best practice principles](#) and whether there are any unfair contract terms.

**Key take away from the meeting.**

1. If you intend to approach your franchisor to enter into a Collective Bargaining arrangement you should do so with your respective dealer council. ('Should' does not mean 'must' but is stronger in its implication than 'may'.)

If you do not have a dealer council, you must contact VACC and they will assist Victorian Dealers with the formation of such a group.

2. You must obtain legal and accounting advice if you will enter a Collective Bargaining arrangement.

If you require the services of a lawyer or accountant or any other professional advice, please contact VACC who can provide the contact details of an appropriate professional services firm.

VACC and TACC members are encouraged to reach out to VACC for any queries on this or any other business-related matter.

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