

BULLETIN

Victorian Automobile Dealers Association



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Recent Comments made by ACCC Chairman

Members of the Victorian Automobile Dealers Association (VADA) should be aware of recent comments made by ACCC Chairman Rod Sims at the 2017 Australian Automotive Dealer Association (AADA) National Dealer Convention in Sydney.

Key points from the speech given by Mr Sims at the AADA Convention include:

- A call for car manufacturers to 'step up' to meet their consumer guarantee obligations under the Australian Consumer Law (ACL) and stop putting the squeeze on dealers through dealer agreements, policies and procedures.
- That the ACCC is concerned that some car manufacturers are shifting their consumer law obligations onto dealers.
- That many dealers believe that if they do not comply with these requirements, their franchise or dealer agreement may be put at risk
- Mr Sims reiterated that it remains the responsibility of dealers to meet their legal obligations to consumers under the ACL, and;
- That manufacturers do not adopt commercial arrangements via dealer agreement that stifle consumer rights. If they do, remedies are available to dealers.

The key points as publicly stated by the ACCC have been key VADA strategic policy issues since the introduction of the Australian Consumer Law in 2011.

VADA members should be encouraged with the views of the ACCC. It is also to be noted that the views so publicly stated by the ACCC give added impetus to the preferred VADA policy position of a separate, mandated new car dealer franchise code. VADA and VACC lobbied for the introduction of such a franchise code at the time of the last Franchise Code Review (Wein Review) in 2013. VADA will continue to lobby for this introduction leading up to the next Franchise Code Review scheduled for 2021.

Any VADA member experiencing consumer issues regarding the ACL, and the role of manufacturers as far those claims are concerned, are encouraged to call VACC for assistance.

Regards

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Position

Department

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