



Monday, 11th May 2015

Unfair Contract Terms Consultation Paper
Small Business, Competition and Consumer Policy Division
The Treasury
Langton Crescent
PARKES ACT 2600

Email: AustralianConsumerLaw@treasury.gov.au

Dear Manager

***Response - Exposure Draft Legislation Consultation
for Extending Unfair Contract Term Protections to Small Businesses***

Dear Sir/Madam

1.1 The Motor Trades Association of Queensland (MTA Queensland or The Association) responds to the Australian Treasury's call for views pertaining to the exposure draft legislation for extending unfair contract term protections to small businesses (the draft legislation). The MTA Queensland's comments are on behalf of its constituent divisions and are confined to issues which relate to the interests of the Queensland automotive value chain.

1.3 The MTA Queensland's long term policy has been that unfair contract term protections should be extended to small business and have consistently submitted this policy position through each of the consultation phases commencing with our 2007 contribution to the Productivity Commission's *National Framework for Consumer Policy*.

1.4 The Association has carefully considered the draft legislation and has formed the view that it reflects the essential policy positions and application to small business that will give the sector greater certainty over their contracts. This, in our view, will provide the sector with the confidence to make investments and hire staff.

1.6 We note the Government has provided \$1.4 million to the Australian Competition and Consumer Commission (ACCC) to help businesses comply with the new law and we welcome this. In our trade magazine, the *Motor Trader*, we will raise awareness of the implementation of the proposed policy and the foreshadowed role of the ACCC.

1.5 The draft legislation has our strong support. We look forward to its progress through parliament and coming to effect early in 2016.

Motor Trades Association Of Queensland

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2 The MTA Queensland background

2.1 The MTA Queensland is the peak organisation in the State representing the specific interests of businesses in the retail, repair and service sector of the automotive industry located in Queensland. There are some 14,000 automotive value chain businesses employing in excess of 73,300 persons operating within the State.

2.2 It is an industrial association of employers incorporated pursuant to the Industrial Relations Act of Queensland. The Association represents and promotes issues of relevance to the automotive industries to all levels of government and within Queensland's economic structure.

2.3 The Association is the leading automotive training provider in Queensland offering nationally recognised training, covering all aspects of the retail motor trades industry through the MTA Institute of Technology (MTAIT). The MTAIT is the largest automotive apprentice trainer in Queensland employing 26 trainers geographically dispersed from Cairns to the Gold Coast and Toowoomba and Emerald. MTAIT last financial year accredited courses to in excess of 1500 apprentices and trainees.

Thank you for your consideration.

Yours sincerely



Kellie Dewar
General Manager
MTA Queensland