

## **Motor Trades Association of Australia**

Committee Secretary
Senate Economics Committee
Department of the Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600

## Dear Sir/Madam

Thank you for the opportunity to contribute to the Senate Economics Committee's Inquiry into the Trade Practices Amendment (Cartel Conduct and Other Measures) Bill 2008.

MTAA is the peak national representative organisation for the retail, service and repair sector of the Australian automotive industry. The Association represents the interests, at the national level, of over 100,000 retail motor trade businesses with a combined turnover of over \$160 billion and which employ over 308,000 people. The Association is a federation of the various state and territory motor trades associations, as well as the Service Station Association (SSA) and the Australian Automobile Dealers Association (AADA). MTAA also has a number of Affiliated Trade Associations (ATAs), which represent particular sub-sectors of the retail motor trades ranging from motor vehicle body repair to automotive parts recycling. Those ATAs are as follows:

Australian Motor Body Repairers Association (AMBRA)

Australian Motorcycle Industry Association (AMIA)

Australian National Radiator Repairers Association (ANRRA)

Australian National Towing Association (ANTA)

Australian Service Station and Convenience Store Association (ASSCSA)

Australian Tyre Dealers and Retreaders Association (ATDRA)

Auto Parts Recyclers Association of Australia (APRAA)

Automotive Repairers Association of Australia (ARAA)

Automotive Transmission Association of Australia (ATAA)

Engine Reconditioners Association of Australia (ERA of A)

Farm and Industrial Machinery Dealers Association of Australia (FIMDAA)

National Brake Specialists Association (NBSA)

National Heavy Vehicle Repairers Association (NHVRA)

National Rental Vehicle Association (NRVA)

National Steering and Suspension Association (NSSA)

National Vehicle Airconditioning Association (NVAA)

All of the ATAs listed above are composed of the relevant sections of each of the MTAA Member bodies and are represented, at a national level, by MTAA.

MTAA supports the introduction of criminal sanctions for cartel behaviour. The introduction of criminal sanctions for breaches of the price fixing provisions of the Trade Practices Act has been

included in MTAA's Small Business Charter of Fairness (a 10 point plan for securing a fairer and more competitive trading environment for all businesses, both big and small) for a number of years and the Association therefore supports the passage of the Bill.

However given that the Bill will, if passed, introduce new provisions into the Trade Practices Act, the Association does urge the Committee to recommend that the Australian Competition and Consumer Commission issue guidelines on the administration of the new provisions. This would assist all businesses to understand how the Commission is to determine whether to pursue civil or criminal proceedings and provide further information on the telecommunications interception powers and the operation of the immunity provisions.

Thank you again for the opportunity to provide comment on the Trade Practices Amendment (Cartel Conduct and Other Measures) Bill 2008.

Yours faithfully

**SUE SCANLAN** 

**Deputy Executive Director (Association)** 

20 January 2009