

**Certificate of President**

s268 of Schedule 1 *Workplace Relations Act 1996*

I NEVILLE GIBB being the President of the Motor Trade Association of South Australia Incorporated certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule;
- and that the full report was provided to members on Friday 31 May; and
- that the full report was presented to a general meeting of members of the reporting unit on 16<sup>th</sup> July 2013; in accordance with section 266 of the RAO Schedule.

Signature:  .....

Date: 26/7/2013



## **DECLARATION OF AN ASSOCIATION**

### **THE MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INCORPORATED**

I, NEVILLE GIBB of Level 1, 81 Greenhill Road, Wayville in the State of South Australia, President, DO SOLEMNLY AND SINCERELY DECLARE as follows :

1. THAT I am the President of the Motor Trade Association of South Australia Incorporated (hereinafter referred to as MTA).
2. THAT the registered office of the MTA is Level 1, 81 Greenhill Road, South Australia, phone number (08) 8291 2000 and fax number (08) 8291 2099.
3. THAT the attached document titled "Consolidated Financial Report" contains "Board of Management Statement", "Statement of Comprehensive Income" (for the year ending 31st March 2013 and "Statement of Financial Position" (as at 31st March 2013) is a true and correct record of what it purports to be.
4. THAT the attached documents marked "Schedule A" are true and correct copies of the Minutes of the Annual General Meeting held on the 16<sup>th</sup> day of July 2013 and that I was present at this Annual General Meeting.

THAT of the 83 persons who were recorded in the attendance register, 25 recorded as nominated representatives for voting purposes and were members of MTA; there were 15 duly appointed representatives by proxy. THAT all persons were, at that time, financial members of MTA and the attached document marked "Schedule B" is a true and correct copy of the Attendance Register for the Annual General Meeting held on the 16<sup>th</sup> day of July 2013.

AND I MAKE THIS DECLARATION in accordance with subsection 233(1) of the Registration & Accountability of Organisations Schedule (Schedule 1B of the Fair Work (Registered Organisations) Act 2009), conscientiously believing the information contained in this declaration to be true in every particular.

DECLARED AND SUBSCRIBED

At Wayville , South Australia

this 26<sup>th</sup> day of July 2013

A handwritten signature in black ink, appearing to be 'N. Gibb', is written over a horizontal dotted line. To the left of the signature, there is a vertical bracket-like symbol.



# **The Motor Trade Association of SA Inc**

ABN 65 767 492 138

## **Consolidated Financial Report**

For the year ended

**31 March 2013**



# MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC. AND CONSOLIDATED ENTITIES

ABN 65 767 492 138

## Operating Report

The Board of Management present their report, together with the financial report of The Motor Trade Association of SA Inc. (the Association) and of the Consolidated Entity, being the Association and its controlled entities, for the financial year ended 31 March 2013.

The names of the Members of the Board of Management who held office at any time during or since the end of the year are:

Neville Gibb	Roger Paech	
Frank Agostino	Dale John	
John Zulian	Robert Duns	
George Papillo	Tracy Butler	
Jeff Williams	Colin Butcher	
John Jansse	John Rowley	
Brian Weeks	Andrew Forrest	22 May 12 – 31 Mar 13
Peter Roberts	Martin Guppy	19 Feb 13 – 31 Mar 13
Clive Polley	Marc Cheney	01 Apr 12 - 18 July 12
Danny Shane	Theo Kruys	01 Apr 12 – 30 Jan 13
Ron Lewis	George Bolton	01 Apr 12 – 21 Aug 12

All other Members of the Board of Management held the position for the period of 01 April 2012 to 31 March 2013.

### Principal Activities

The principal activities of the Consolidated Entity during the financial year were to serve the interests of employers and members of the Retail Motor Trade in SA by;

- Providing a political voice for the retail motor industry;
- Providing an industry voice in discussion with all levels of government;
- Providing industrial award advice, advocacy and representation;
- Providing technical information and specialized industry stationery; and
- Training apprentices for the retail motor industry.

No significant changes in the nature of these activities occurred during the year.

### Operational and financial review

The financial statements and comparative figures for the Association and the Consolidated Entity are for the twelve months ended 31 March 2013.

### Statement of Comprehensive Income

The Associations profit from ordinary activities in the financial year ended 31 March 2013 was \$334,468, (2012: \$305,011) and for the Consolidated Entity \$153,973, (2012: \$1,202,269).

## **Statement of Financial Position**

The financial position of the Association and the Consolidated Entity was improved by the operating profit noted above. Equity increased to \$11,280,905 for the Association and to \$20,621,419 for the Consolidated Entity.

The Association's cash flow from operating activities was \$608,659 and the Consolidated Entity \$1,187,177.

## **Events since balance date**

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

## **Trustee or Director of Superannuation Entity**

Subsection 254(2)(d) of the Fair Work Australia (Registered Organisations) Act 2009 requires "details" (including details of the position held) of any officer or member of the reporting unit who is;

- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and

where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation."

The Board is not aware of any officer or member of the Consolidated Entity holding a position as trustee or director of a company (that is a trustee of a superannuation entity or exempt public sector superannuation scheme) where the criterion for holding such position is that he or she is an officer or member of an organisation.

## **Members**

Members' rights to resign is set out in Item 13 of the Constitution, in summary a member may resign from membership by written notice addressed and delivered to the offices of the Motor Trade Association of SA Inc.

At the end of the financial year there were 1,160 members of the Motor Trade Association of SA Inc, (2012: 1,150).

## **Staffing**

The Association employed 57 staff at the end of the financial year, (2012: 55). The Consolidated Entity employed 612 staff at year end (2012: 587).

Signed in accordance with the resolution of the Board of Management.

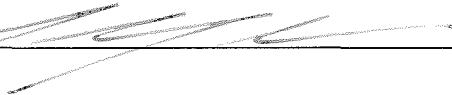
Board  
Member

Neville Gibb

A handwritten signature in black ink, appearing to be 'N. Gibb', written over a horizontal line.

Board  
Member

John Zulian

A handwritten signature in black ink, appearing to be 'John Zulian', written over a horizontal line.

Dated this 21<sup>st</sup> day of May 2013.

**MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC.  
AND CONSOLIDATED ENTITY**

ABN 65 767 492 138

**DISCUSSION AND ANALYSIS OF PRINCIPAL FACTORS AFFECTING THE FINANCIAL PERFORMANCE,  
FINANCIAL POSITION AND FINANCIAL AND INVESTING ACTIVITIES**

The financial statements and disclosures in the financial report have been derived from the 2013 Financial Report of the Motor Trade Association of SA Inc. and Consolidated Entity.

A copy of the full financial report and auditor's report will be sent to all members, free of charge.

The following discussion and analysis is provided to assist the understanding of members of the Motor Trade Association of South Australia Inc. The discussion and analysis is based on the general purpose financial report of the Association and Consolidated Entity.

**Operational and financial review**

The financial statements from the Association and the Consolidated Entity are for the twelve months ended 31 March 2013, the comparative financial statements for the Association and the Consolidated Entity are for the twelve months ended 31 March 2012.

**Statement of Comprehensive Income**

The Associations profit for ordinary activities in the financial year ended 31 March 2013 was \$334,468, (2012: \$305,011) and as a Consolidated Entity \$153,973, (2012: \$1,202,269).

**MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC.**  
**AND CONSOLIDATED ENTITIES**  
 ABN 76267492138

**Statement of Comprehensive Income**  
**For the year ended 31 March 2013**

	<b>MTA</b>		<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<i>Note</i>	\$	\$	\$	\$
Membership contributions	1,303,111	1,237,703	1,303,111	1,237,703
Commissions	299,182	339,800	299,182	339,800
Grant income	302,843	-	2,861,481	2,937,026
Member function income	17,278	24,557	17,278	24,557
Rents	1,619,006	1,364,020	1,129,006	889,020
Sales – print & stationery	358,973	353,090	168,621	229,890
Apprentice income	-	-	15,455,214	15,042,829
Other operating income	2(a) 3,547,869	3,435,383	485,998	803,879
Industry support	-	-	22,439	14,217
<b>Revenue from ordinary activities</b>	<b>7,448,262</b>	<b>6,754,553</b>	<b>21,742,330</b>	<b>21,518,921</b>
Administration expenses	690,620	944,817	1,237,603	1,490,812
Advertising	148,199	189,758	289,586	366,152
Advocacy	18,739	20,973	18,739	20,973
Affiliation fees	150,000	160,000	150,000	160,000
Apprentice training costs	-	-	170,868	186,281
Audit fees	28,900	28,000	53,600	51,000
Cost of sales – print & stationery	181,220	159,020	181,220	159,020
Depreciation	458,470	379,237	937,919	818,660
Government grant expenditure	302,843	-	-	-
Insurance	46,809	39,545	123,886	102,053
Legal costs	61,005	81,741	81,486	88,351
Motor vehicle costs	24,236	20,925	94,290	85,462
Motor trade journal	68,450	71,363	68,450	71,363
Officers remuneration	427,417	344,480	427,417	344,480
Officers remuneration - on costs	67,814	52,577	67,814	52,577
Property expenses	524,444	470,253	524,444	470,253
Salaries & wages	3,445,596	3,182,432	14,924,780	14,396,677
Salaries & wages – on costs	481,766	450,448	2,314,991	1,752,834
Telephone	67,696	55,211	110,440	90,709
Travel	54,381	59,980	68,921	72,359
<b>Costs from ordinary activities</b>	<b>7,248,605</b>	<b>6,710,760</b>	<b>21,846,454</b>	<b>20,780,016</b>
<b>Operating surplus/(deficit) from operating activities</b>	<b>199,657</b>	<b>43,793</b>	<b>(104,124)</b>	<b>738,905</b>
Net finance income	2(b) 134,811	261,318	258,097	463,364
<b>Surplus for the period</b>	<b>334,468</b>	<b>305,111</b>	<b>153,973</b>	<b>1,202,269</b>
<b>Other comprehensive income for the period</b>	<b>-</b>	<b>1,369,014</b>	<b>-</b>	<b>1,369,014</b>
<b>Total comprehensive income for the period</b>	<b>334,468</b>	<b>1,674,125</b>	<b>153,973</b>	<b>2,571,283</b>

The statement of comprehensive income should be read in conjunction with the notes to the financial statements set out on pages 9 to 28.



MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC.  
AND CONSOLIDATED ENTITIES  
ABN 65 767 492 138

**Statement of Changes in Equity**

**For the year ended 31 March 2013**

<i>Note</i>	MTA		Consolidated	
	2013	2012	2013	2012
	\$	\$	\$	\$
<b>Accumulated Surplus:</b>				
Opening accumulated surplus	9,577,423	9,272,412	19,098,432	17,896,163
Surplus for the period	334,468	305,011	153,973	1,202,269
<u>Other comprehensive income</u>				
Revaluation reserve	1,369,014	1,369,014	1,369,014	1,369,014
<b>Total equity at the end of the year</b>	<b>11,280,905</b>	<b>10,946,437</b>	<b>20,621,419</b>	<b>20,467,446</b>

The statement of changes in equity should be read in conjunction with the notes to the financial statements set out on pages 9 to 28.

**MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC.  
AND CONSOLIDATED ENTITIES**

ABN 65 767 492 138

**Statement of Financial Position**

<b>As at 31 March 2013</b>		<b>MTA</b>		<b>Consolidated</b>	
	<i>Note</i>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
		\$	\$	\$	\$
<b>Assets</b>					
Cash	3	1,584,522	1,389,188	2,532,048	2,269,519
Trade and other receivables	4	828,278	777,266	2,118,364	2,343,192
Inventories	5	46,947	44,826	56,595	62,485
Investments	6	1,406,336	1,337,542	3,230,566	3,073,372
<b>Total current assets</b>		<b>3,866,083</b>	<b>3,548,822</b>	<b>7,937,573</b>	<b>7,748,568</b>
Trade and other receivables	4	160,000	160,000	-	-
Investments	6	2,037,014	2,037,014	2,182,515	2,182,515
Investment property	7	3,242,590	3,298,285	3,242,590	3,298,285
Property, plant and equipment	8	7,841,334	7,861,888	11,612,079	11,644,438
<b>Total non-current assets</b>		<b>13,280,938</b>	<b>13,357,187</b>	<b>17,037,184</b>	<b>17,125,238</b>
<b>Total assets</b>		<b>17,147,021</b>	<b>16,906,009</b>	<b>24,974,757</b>	<b>24,873,806</b>
<b>Liabilities</b>					
Trade and other payables	9	1,082,891	1,211,311	1,941,621	2,095,176
Employee benefits	10	675,486	637,035	1,303,978	1,199,958
Borrowings	11	3,000,000	3,000,000	-	-
<b>Total current liabilities</b>		<b>4,758,377</b>	<b>4,848,346</b>	<b>3,245,599</b>	<b>3,295,134</b>
Employee benefits	10	107,739	111,226	107,739	111,226
Borrowings	11	1,000,000	1,000,000	1,000,000	1,000,000
<b>Total non-current liabilities</b>		<b>1,107,739</b>	<b>1,111,226</b>	<b>1,107,739</b>	<b>1,111,226</b>
<b>Total liabilities</b>		<b>5,866,116</b>	<b>5,959,572</b>	<b>4,353,338</b>	<b>4,406,360</b>
<b>Net assets</b>		<b>11,280,905</b>	<b>10,946,437</b>	<b>20,621,419</b>	<b>20,467,446</b>
<b>Equity</b>					
Accumulated surplus		9,911,891	9,577,423	19,252,405	19,098,432
Revaluation reserve		1,369,014	1,369,014	1,369,014	1,369,014
<b>Total equity</b>		<b>11,280,905</b>	<b>10,946,437</b>	<b>20,621,419</b>	<b>20,467,446</b>

The statement of financial position should be read in conjunction with the notes to the financial statements set out on pages 9 to 28.

**MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC.  
AND CONSOLIDATED ENTITIES**

ABN 65 767 492 138

**Statements of cash flows  
For the year ended 31 March 2013**

<i>Note</i>	<b>MTA</b>		<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	\$	\$	\$	\$
<b>Cash flows from operating activities</b>				
Cash receipts from customers	8,149,043	6,979,303	24,084,330	23,511,589
Cash paid to suppliers and employees	(7,637,505)	(6,581,378)	(23,056,589)	(22,065,389)
Cash generated from operations	511,538	397,925	1,027,741	1,446,200
Land tax refund	-	342,272	-	342,272
Distribution from MTAA House	86,040	132,538	91,540	141,538
Interest received	74,674	70,017	131,489	166,961
Interest expense	(63,593)	(17,736)	(63,593)	(17,736)
<b>Net cash from operating activities</b>	<b>608,659</b>	<b>925,016</b>	<b>1,187,177</b>	<b>2,079,235</b>
<b>Cash flows from investing activities</b>				
Proceeds from sale of property, plant and equipment	41,295	33,126	139,876	143,646
Acquisition of property, plant and equipment	(423,516)	(2,611,115)	(1,005,991)	(3,337,467)
Acquisition of unit in MTAA House	-	-	-	(145,501)
Acquisition of investments	(1,368,646)	-	(2,575,564)	-
Proceeds from disposal of investments	1,337,542	1,136,819	2,517,031	2,435,466
Acquisition of investment property	-	(3,340,057)	-	(3,340,057)
<b>Net cash from investing activities</b>	<b>(413,325)</b>	<b>(4,781,227)</b>	<b>(924,648)</b>	<b>(4,243,913)</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings	-	1,000,000	-	1,000,000
Loans from related parties	-	3,000,000	-	-
Loans to related parties	-	(160,000)	-	-
<b>Net cash from financing activities</b>	<b>-</b>	<b>3,840,000</b>	<b>-</b>	<b>1,000,000</b>
Net increase in cash and cash equivalents	195,334	(16,211)	262,529	(1,164,678)
Cash and cash equivalents at 1 April	1,389,188	1,405,399	2,269,519	3,434,197
<b>Cash and cash equivalents at 31 March</b>	<b>1,584,522</b>	<b>1,389,188</b>	<b>2,532,048</b>	<b>2,269,519</b>

The statement of cash flows should be read in conjunction with the notes to the financial statements set out on pages 9 to 28

# Notes to the consolidated financial statements

## 1. Significant accounting policies

The Motor Trade Association of SA Inc. (the "Association") is a not for profit entity and the entity is domiciled in South Australia. The consolidated financial report of the Association for the year ended 31 March 2013 comprise the Association and its subsidiaries (together referred to as the "Consolidated Entity").

The financial report was authorised for issue by the directors on 21<sup>st</sup> May 2013.

### (a) Statement of compliance

The Association and the Consolidated Entity early adopted AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-02 Amendments to Australian Standards arising from Reduced Disclosure Requirements for the financial year beginning 1 April 2010 to prepare Tier 2 general purpose financial statements.

The consolidated financial report of the Consolidated Entity and the financial report of the Association are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (AASB-RR's) adopted by the Australian Accounting Standards Board and the Associations Incorporation Act 1985 (as amended) and Fair Work (Registered Organisations) Act 2009.

### (b) Basis of preparation

The financial report is presented in Australian dollars.

The financial report is prepared on an accrual basis and the historical cost basis.

The preparation of a financial report in conformity with Australian Accounting Standards- Reduced Disclosure Requirements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the Association and the Consolidated Entity.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

## Notes to the consolidated financial statements (continued)

### 1. Significant accounting policies (continued)

#### (c) Going Concern

The financial report has been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business.

The result for the Association for the year ended 31 March 2013 was a surplus of \$334,468 (2012: \$305,011) and a current asset deficiency of \$892,294 (2012: \$1,299,524). Included in current liabilities is a \$3,000,000 loan due by the Association to The MTA Group Training Scheme Inc, a wholly owned entity, as disclosed in Note 13. Adjusting for this current liability, the Association has a surplus of current assets over current liabilities of \$2,107,706 (2012: \$1,700,476). The Board of Management believe the Association is a going concern due to the expected profitability of the business and the positive net operating cash flows generated from operating activities of \$608,659 (2012: \$925,016) continuing. It is on this basis the financial statements have been prepared on a going concern basis.

#### (d) Accounting estimates and judgements

Management discussed with the Board of Management the development, selection and disclosure of the Consolidated Entity's critical accounting policies and estimates and the application of these policies and estimates.

#### (e) Basis of consolidation

##### (i) Subsidiaries

Subsidiaries are entities controlled by the Association. Control exists when the Association has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investments in all subsidiaries are carried at their cost of acquisition in the Association's financial statements.

##### (ii) Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

## Notes to the consolidated financial statements (continued)

### 1. Significant accounting policies (continued)

#### (f) Property, plant and equipment

##### (i) Owned assets

Items of property, plant and equipment are stated at cost (or deemed cost) less accumulated depreciation (see below) and impairment losses (see accounting policy m).

Where parts of an item of property plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Expenditure on fixed assets of less than \$300 is expensed when incurred.

##### *Subsequent costs*

The Consolidated Entity recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefit embodied within the item will flow to the Consolidated Entity and the cost of the item can be reliably measured. All other costs are recognised in profit and loss as an expense as incurred.

The Association has a policy of valuing property owned by the Association every three years unless there is an indication of impairment. An impairment loss will be reflected if the valuation represents a devaluation below the value carried in the Statement of Financial Position.

##### (ii) Depreciation

The depreciable amount of all fixed assets are depreciated over the estimated economic life of the asset to the Consolidated Entity commencing from the time the asset is held ready for use. Assets with a written down value of less than \$100 at the end of the year, are depreciated to nil value at the year end.

Leasehold improvements are depreciated over the estimated useful lives of the improvements. Plant and equipment are depreciated from the date of acquisition. The reducing value method is used.

Buildings and improvements are depreciated over their expected useful economic life. The straight line method is used.

Motor vehicles are depreciated over their expected useful economic life. Diminishing value method is used.

Furniture and fittings are depreciated over their expected useful economic life. The straight line method is used.

The depreciation rates used for each class of depreciable asset vary dependent on the assessed economic life of each individual asset, and within each class the depreciation rates used are as follows:

## Notes to the consolidated financial statements (continued)

### 1. Significant accounting policies (continued)

<u>Asset Class</u>	<u>Depreciation Rate</u>	
	<u>2013</u>	<u>2012</u>
Plant & Equipment	9 to 36%	9 to 36%
Furniture & Fittings	11 to 30%	11 to 30%
Motor Vehicles	22.5%	22.5%
Buildings & Improvements	2.5 to 4%	2.5 to 4%

The residual value, if not insignificant, is reassessed annually.

#### **(g) Expenses**

##### *Operating lease payments*

Payments made under operating leases are recognised in profit and loss on a straight-line basis over the term of the lease.

##### *Net financing costs*

Net financing costs comprise interest payable on borrowings and dividend, interest and distribution income. Interest income is recognised in profit and loss as it accrues, using the effective interest method. Dividend and distribution income is recognised in profit and loss on the date the Consolidated Entity's right to receive payments is established.

#### **(h) Investments**

The Consolidated Entity's non-current equity investments are classified as being available-for-sale and are carried at fair value. Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost as this is considered the best estimate of fair value.

#### **(i) Investment property**

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods and services or for administrative purposes. Investment property is measured at cost on initial and subsequent recognition.

Cost includes expenditure that is directly attributable to the acquisition of the investment property.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit and loss. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

<u>Asset Class</u>	<u>Depreciation Rate</u>	
	<u>2013</u>	<u>2012</u>
Buildings & Improvements	2.5 %	2.5 %

## Notes to the consolidated financial statements (continued)

### 1. Significant accounting policies (continued)

#### (j) Trade and other receivables

Trade and other receivables, to be settled within 30 days are initially measured at their fair value and subsequently measured at amortised cost using the effective interest rate method less any impairment losses (see accounting policy m).

Bad debts are written off when they are identified.

#### (k) Inventories

Inventories consist of printing and stationery, raw and finished products, protective clothing, tool kits and educational resources and are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

#### (l) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and cash at bank. Bank overdrafts that are repayable on demand and deposits at call that form an integral part of the Consolidated Entity's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

#### (m) Impairment

The carrying amounts of the Consolidated Entity's assets, other than inventories (see accounting policy k), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see below).

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in profit and loss.

Depreciated replacement cost is defined as the current replacement cost of an asset less where applicable, accumulated depreciation calculated on the basis of such costs to reflect the already consumed or expired future economic benefits of the asset. The current replacement cost of an asset is its cost measured by reference to the lowest cost at which the gross future economic benefits of that asset could currently be obtained in normal course of business.

#### (i) Calculation of recoverable amount

The recoverable amount of the Consolidated Entity's assets carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred. Significant receivables are individually assessed for impairment. Non significant receivables are not individually assessed.

The recoverable amount of other assets is the greater of their net selling price and value in use. In the case of a non-current asset of a not-for-profit entity, value in use means "depreciated replacement cost" of an asset when the future economic benefits of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the entity would if deprived of the asset, replace its remaining future economic benefits.



## Notes to the consolidated financial statements (continued)

### 1. Significant accounting policies (continued)

#### (ii) Reversals of impairment

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### (n) Income Tax

The Association sought a Private Binding Ruling over its tax exemption status and was advised that it is exempt from income tax pursuant to section 50 – 15 of the Income Tax Assessment Act 1997.

The MTA Group Training Scheme Inc, Controlled Entity, is currently in discussion with the Australian Taxation Office in clarifying its exemption from income tax pursuant to section 50 -5 of the Income Tax Assessment Act 1997.

For the Retail Motor Trading Co. Pty Ltd, a controlled entity, tax effect accounting is applied using the balance sheet method. The income tax expense comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year. Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

The Retail Motor Trading Co. Pty Ltd had a tax loss of \$3,828 resulting from activities to the taxation year ended 30 June 2013, (2012: Loss \$209).

## Notes to the consolidated financial statements (continued)

### 1. Significant accounting policies (continued)

#### (o) Employee benefits

##### *Defined Contribution plans*

Obligations for contributions to defined contribution superannuation plans are recognised as an expense in profit and loss when incurred.

##### *Long-term service benefits*

The Consolidated Entity's net obligation in respect of long-term service benefits, other than defined contribution plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates and is discounted using rates attached to the Commonwealth Government bonds that have maturity dates approximating to the terms of the Consolidated Entity's obligations.

##### *Wages, salaries, annual leave and non monetary benefits*

A provision is made for annual leave, wages and salaries and employment on costs of Payroll Tax, WorkCover and Superannuation that are expected to be settled within 12 months of the reporting date. Employment on-costs have been calculated on the basis that employees will take accumulated leave prior to retirement.

Vested entitlements are shown as current liabilities, measured at nominal wage rates.

Annual leave is provided for at current rates of pay plus employment on costs. The Consolidated Entity's experience is that the majority of Annual Leave is taken as accrued, and future wage increases are incorporated into the provision calculation.

No provision is made for sick leave, which although cumulative is non-vesting. However, it is vesting for apprentices in the final year of their apprenticeship. As per their employment contract, the apprentice is only entitled to a portion of sick leave upon completion of their apprenticeship.

## Notes to the consolidated financial statements (continued)

### 1. Significant accounting policies (continued)

#### **(p) Provisions**

A provision is recognised in the Statement of Financial Position when the Consolidated Entity has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

#### **(q) Trade and other payables**

Liabilities are initially recognised for amounts to be paid in future for goods and services received by the Consolidated Entity at fair value and subsequently measured at amortised cost. Trade payables, are normally settled within 30 days.

#### **(r) Interest Rate Risk**

The Consolidated Entity has exposure to interest rate risk through its term deposits. Information about the term deposits are set out in note 6.

#### **(s) Revenue**

##### **(i) Goods sold and services rendered**

Revenue from the sale of goods is recognised in profit and loss when significant risks and rewards of ownership have been transferred to the buyer. Revenue from services rendered is recognised in profit and loss in proportion to the stage of completion of the transaction at reporting date.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when declared. Commissions are recognised when the Consolidated Entity has received a commission.

##### **(ii) Rental income**

Rental income from property is recognised in profit and loss on a straight- line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

##### **(iii) Government grants**

Grants constituting non-reciprocal transfers received from the Government are recognised as income when the Consolidated Entity obtains control of the benefit. A non-reciprocal transfer is one in which the Consolidated Entity receives assets and services or has liabilities extinguished without giving approximately equal value in exchange to the other party or parties to the transfer. Grants in which the Consolidated Entity is required to repay unutilised funding are treated as reciprocal transfers and income is recognised by reference to the stage of completion of the transaction.

## Notes to the consolidated financial statements (continued)

### 1. Significant accounting policies (continued)

#### (t) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

## Notes to the consolidated financial statements (continued)

	MTA		Consolidated	
	2013	2012	2013	2012
<b>2.a. Other operating income</b>	\$	\$	\$	\$
Other services	10,379	29,648	95,294	157,442
Industrial services	390,704	304,165	390,704	304,165
Land tax refund	-	342,272	-	342,272
Related party salaries and on costs	2,696,786	2,389,298	-	-
Related party management fees	450,000	370,000	-	-
	<u>3,547,869</u>	<u>3,435,383</u>	<u>485,998</u>	<u>803,879</u>
<b>2.b. Financial income</b>				
Interest	112,364	146,516	230,150	339,562
MTAA House distribution	86,040	132,538	91,540	141,538
less finance expense	(63,593)	(17,736)	(63,593)	(17,736)
<b>Net Finance Income</b>	<u>134,811</u>	<u>261,318</u>	<u>258,097</u>	<u>463,364</u>
<b>3. Cash</b>				
Cash and cash equivalents	1,584,522	1,389,188	2,532,048	2,269,519
	<u>1,584,522</u>	<u>1,389,188</u>	<u>2,532,048</u>	<u>2,269,519</u>
<b>4. Trade and other receivables</b>				
<b>Current</b>				
Trade and other receivables	307,770	272,075	2,009,226	2,284,534
Prepayments	35,446	21,554	109,138	58,658
Receivables due from controlled entities	485,062	483,637	-	-
	<u>828,278</u>	<u>777,266</u>	<u>2,118,364</u>	<u>2,343,192</u>
<b>Non-current</b>				
Loan due from controlled entity	160,000	160,000	-	-
	<u>160,000</u>	<u>160,000</u>	<u>-</u>	<u>-</u>
<b>5. Inventories</b>				
Stationery	38,014	32,715	38,014	32,715
Printing	8,933	12,111	18,581	29,770
	<u>46,947</u>	<u>44,826</u>	<u>56,595</u>	<u>62,485</u>

## Notes to the consolidated financial statements (continued)

	MTA		Consolidated	
	2013	2012	2013	2012
<b>6. Investments</b>	\$	\$	\$	\$
<b>Current Investments</b>				
Fixed Term Deposit	1,406,336	1,337,542	3,230,566	3,073,372
	<u>1,406,336</u>	<u>1,337,542</u>	<u>3,230,566</u>	<u>3,073,372</u>

### Details of Term Deposits held 31 Mar 13

Bank	Maturity	Amount		
<u>Motor Trade Association of SA Inc</u>		\$		
Westpac Banking Corporation	3 Aug 13	1,406,336		
<u>MTA Group Training Scheme Inc</u>		\$		
Westpac Banking Corporation	3 Aug 13	1,240,154		
Westpac Banking Corporation	20 Nov 13	584,076		

### **Shares in Non-Listed Investments**

MTAA Superannuation Fund Pty Limited (ACN 008 650 628)	1	1	1	1
	1	1	1	1

### **Non-current Investments**

Units in MTAA House Unit Trust	2,037,014	2,037,014	2,182,515	2,182,515
<b>Total Non-current Investments</b>	<u>2,037,014</u>	<u>2,037,014</u>	<u>2,182,515</u>	<u>2,182,515</u>

The Motor Trade Association of South Australia holds 14 units, 12.17% (twelve point one seven percent) of the issued units in the MTAA House Unit Trust. The Retail Motor Trading Co. Pty Ltd holds 1 unit, 0.87% (zero point eight seven percent) of the issued units in the MTAA House Unit Trust. A key input in to the valuation of these unit holdings is the market value of the major asset of the Trust, being MTAA House situated on Brisbane Avenue, Canberra.

## Notes to the consolidated financial statements (continued)

	MTA		Consolidated	
	2013	2012	2013	2012
	\$	\$	\$	\$
<b>7. Investment Property</b>				
Balance at 1 April	3,340,057	-	3,340,057	-
Acquisitions	-	3,340,057	-	3,340,057
<i>Less: Accumulated depreciation</i>	(97,467)	(41,772)	(97,467)	(41,772)
Balance at 31 March	3,242,590	3,298,285	3,242,590	3,298,285

46 Fullarton Road consists of four tenancies and is fully leased with varying renewals with two tenants lease due for expiry in May 2014 and the remaining tenants leases due to expire in February 2016 and March 2016.

The Association has a policy of dividing the initial value of property acquisitions and allocating one third of value to land and two thirds of value to buildings. The buildings component is then depreciated over the Board of Management assessed appropriate economic life of the buildings. This assessment takes into account the style, position and state of repair of the buildings concerned.

46 Fullarton Road Norwood was re-valued by Mr. S Bruce-Gordon AAPI of CBRE Valuations Pty Ltd in March 2012 at a "willing buyer/seller" market value of \$3,150,000. The cost of the investment property is \$3,340,057, includes the property purchase price of \$3,150,000 and capitalised transaction costs of \$190,057.

## Notes to the consolidated financial statements (continued)

### 8. Property, plant and equipment

	MTA				Total
	Land and buildings	Plant and equipment	Fixtures and fittings	Other	
<b>Cost</b>					
Balance at 1 April 2011	5,985,918	1,817,677	54,962	152,203	8,010,760
Acquisitions	2,096,840	461,229	7,010	46,036	2,611,115
Disposals	-	-	-	(48,381)	(48,381)
Balance at 31 March 2012	<u>8,082,758</u>	<u>2,278,906</u>	<u>61,972</u>	<u>149,858</u>	<u>10,573,494</u>
Balance at 1 April 2012	8,082,758	2,278,906	61,972	149,858	10,573,494
Acquisitions	-	355,574	1,325	66,617	423,516
Transfers	-	9,254	(9,254)	-	-
Disposals	-	-	-	(67,024)	(67,024)
Balance at 31 March 2013	<u>8,082,758</u>	<u>2,643,734</u>	<u>54,043</u>	<u>149,451</u>	<u>10,929,986</u>
<b>Depreciation and impairment losses</b>					
Balance at 1 April 2011	1,360,694	966,970	36,730	25,001	2,389,395
Depreciation charge for the year	139,861	162,108	5,991	29,505	337,465
Disposals	-	-	-	(15,254)	(15,254)
Balance at 31 March 2012	<u>1,500,555</u>	<u>1,129,078</u>	<u>42,721</u>	<u>39,252</u>	<u>2,711,606</u>
Balance at 1 April 2012	1,500,555	1,129,078	42,721	39,252	2,711,606
Depreciation charge for the year	166,084	201,035	5,558	30,098	402,775
Transfers	-	6,804	(6,804)	-	-
Disposals	-	-	-	(25,729)	(25,729)
Balance at 31 March 2013	<u>1,666,639</u>	<u>1,336,917</u>	<u>41,475</u>	<u>43,621</u>	<u>3,088,652</u>
<b>Carrying amounts</b>					
At 1 April 2011	4,625,224	850,707	18,232	127,202	5,621,365
At 31 March 2012	<u>6,582,203</u>	<u>1,149,828</u>	<u>19,251</u>	<u>110,606</u>	<u>7,861,888</u>
At 1 April 2012	6,582,203	1,149,828	19,251	110,606	7,861,888
At 31 March 2013	<u>6,416,119</u>	<u>1,306,817</u>	<u>12,568</u>	<u>105,830</u>	<u>7,841,334</u>



## Notes to the consolidated financial statements (continued)

### Property, plant and equipment (continued)

	Consolidated				
	Land and buildings	Plant and equipment	Fixtures and fittings	Other	Total
<b>Cost</b>					
Balance at 1 April 2011	5,985,918	3,637,574	158,259	3,489,412	13,271,163
Acquisitions	2,096,840	786,551	16,678	437,398	3,337,467
Transfers	-	-	-	-	-
Disposals	-	(133,514)	-	(222,954)	(356,468)
Balance at 31 March 2012	<u>8,082,758</u>	<u>4,290,611</u>	<u>174,937</u>	<u>3,703,856</u>	<u>16,252,162</u>
Balance at 1 April 2012	8,082,758	4,290,611	174,937	3,703,856	16,252,162
Acquisitions	-	651,174	11,928	342,889	1,005,991
Transfers	-	68,292	(9,254)	(59,038)	-
Disposals	-	(217,491)	-	(206,612)	(424,103)
Balance at 31 March 2013	<u>8,082,758</u>	<u>4,792,586</u>	<u>177,611</u>	<u>3,781,095</u>	<u>16,834,050</u>
<b>Depreciation and impairment losses</b>					
Balance at 1 April 2011	1,360,694	2,255,780	124,798	318,636	4,059,908
Depreciation charge for the year	139,861	367,383	21,580	248,064	776,888
Disposals	-	(103,664)	-	(125,408)	(229,072)
Balance at 31 March 2012	<u>1,500,555</u>	<u>2,519,499</u>	<u>146,378</u>	<u>441,292</u>	<u>4,607,724</u>
Balance at 1 April 2012	1,500,555	2,519,499	146,378	441,292	4,607,724
Depreciation charge for the year	166,084	427,375	16,017	272,748	882,224
Transfers	-	(888)	(6,804)	7,692	-
Disposals	-	(201,863)	-	(66,114)	(267,977)
Balance at 31 March 2013	<u>1,666,639</u>	<u>2,744,123</u>	<u>155,591</u>	<u>655,618</u>	<u>5,221,971</u>
<b>Carrying amounts</b>					
At 1 April 2011	<u>4,625,224</u>	<u>1,381,794</u>	<u>33,461</u>	<u>3,170,776</u>	<u>9,211,255</u>
At 31 March 2012	<u>6,582,203</u>	<u>1,771,112</u>	<u>28,559</u>	<u>3,262,564</u>	<u>11,644,438</u>
At 1 April 2012	<u>6,582,203</u>	<u>1,771,112</u>	<u>28,559</u>	<u>3,262,564</u>	<u>11,644,438</u>
At 31 March 2013	<u>6,416,119</u>	<u>2,048,463</u>	<u>22,020</u>	<u>3,125,477</u>	<u>11,612,079</u>

The Association has a policy of dividing the initial value of property acquisitions and allocating one third of value to land and two thirds of value to buildings. The buildings component is then depreciated over the Board of Management assessed appropriate economic life of the buildings. This assessment takes into account the style, position and state of repair of the buildings concerned.

81-83 Greenhill Road Wayville was re-valued by Mr. S Bruce-Gordon AAPI of CBRE Valuations Pty Ltd in March 2012 at a "willing buyer/seller" market value of \$6,750,000.

3 Frederick Road Royal Park was re-valued by Mr. S Bruce-Gordon AAPI of CBRE Valuations Pty Ltd in March 2012 at a "willing buyer/seller" market value of \$6,100,000.

3 Schenker Drive Royal Park was purchased in December 2011 for \$1,975,000.

## Notes to the consolidated financial statements (continued)

### 9. Trade and other payables

	MTA		Consolidated	
	2013	2012	2013	2012
	\$	\$	\$	\$
Trade payables due to controlled entities	82,997	4,817	-	-
Subscriptions in advance	229,523	203,447	229,523	203,447
Other trade payables	770,371	1,003,047	1,712,098	1,891,729
	<u>1,082,891</u>	<u>1,211,311</u>	<u>1,941,621</u>	<u>2,095,176</u>

### 10. Employee benefits

#### Current

Office holders liability for annual leave	23,080	16,258	23,080	16,258
Other employees liability for annual leave	250,652	239,218	875,215	799,150
Office holders liability for long-service leave	52,747	63,066	52,747	63,066
Other employees liability for long-service leave	347,479	317,571	347,479	317,571
Liability for rostered days off	1,528	922	5,457	3,913
	<u>675,486</u>	<u>637,035</u>	<u>1,303,978</u>	<u>1,199,958</u>

#### Non-current

Office holders liability for long-service leave	-	30,473	-	30,473
Other employees liability for long-service leave	107,739	80,753	107,739	80,753
	<u>107,739</u>	<u>111,226</u>	<u>107,739</u>	<u>111,226</u>

Total employee benefits

	<u>783,225</u>	<u>748,261</u>	<u>1,411,717</u>	<u>1,311,184</u>
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### 11. Borrowings

#### Current

Receivables due to controlled entities <sup>(1)</sup>	3,000,000	3,000,000	-	-
	<u>3,000,000</u>	<u>3,000,000</u>	<u>-</u>	<u>-</u>

#### Non -Current

Westpac mortgage on 3 Schenker Drive Royal Park	1,000,000	1,000,000	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>

<sup>(1)</sup> At 31 March 2013 the loan from the controlled entity is an interest free loan at call.

Subsequent to the reporting date, the loan agreement between the Motor Trade Association of South Australia Inc. and the MTA Group Training Scheme Inc has been amended. Interest is to be charged at the bank rate plus 1%. The loan is repayable within 90 days upon a written request being made by the lender.

## Notes to the consolidated financial statements (continued)

### 12. Contingencies

<i>Note</i>	MTA		Consolidated	
	2013	2012	2013	2012
	\$	\$	\$	\$
Estimates of the maximum amount of contingent liabilities that may become payable	309,000	276,000	3,324,000	3,193,000

In the event of the winding up of the Motor Trade Association of Australia Limited, the Motor Trade Association of South Australia Inc has a limited liability of \$100.

During a period of an economic downturn, it is appropriate to provide for a contingent liability which may arise for the return of apprentices and trainees from host employers and not being able to place those apprentices and trainees with alternate host employers. Should this occur and all apprentice and trainees are returned, the cost to the consolidated entity would be \$1,656,000 (2012:\$1,558,000), whilst the cost to the Association for training staff entitlements would be \$309,000 (2012:\$276,000).

In December 2010 the MTA Group Training Scheme successfully gained a Federal Government grant of \$1,359,000 for the development of its Royal Park training facilities. Under the terms included in the Deed for the National Training Infrastructure Program, this amount may be recovered within three years of the completion of the project should a disqualifying event as outlined in the Deed occur.

The MTA Group Training Scheme Inc, Controlled Entity, is currently in discussion with the Australian Taxation Office in clarifying its exemption from income tax pursuant to section 50 -5 of the Income Tax Assessment Act 1997. Due to the nature of the discussions it is not possible to determine if any tax liability exists.

### 13. Consolidated entities

	Australian Business Number	Ownership interest	
		2013	2012
<b>Parent entity</b>			
The Motor Trade Association of South Australia Inc.	65 767 492 138	100%	100%
<b>Controlled entities</b>			
The MTA Group Training Scheme Inc.	36 459 968 347	100%	100%
Retail Motor Trading Co. Pty Ltd	ACN 008 166 194	100%	100%

## Notes to the consolidated financial statements (continued)

### 14. Related entity transactions

The following are the key transactions occurring between the related entities.

The Motor Trade Association of South Australia Inc. and The MTA Group Training Scheme Inc.

<u>Statement of Comprehensive Income</u>	<b>2013</b>	<b>2012</b>
	\$	\$
Management Fees	450,000	370,000
Staff Salaries and on costs	2,696,786	2,389,298
Rental of 3 Frederick Road	490,000	470,000
Printing sales	190,352	123,200
Provision of services for governments grants	302,843	-
	<u>4,129,981</u>	<u>3,352,498</u>

<u>Statement of Financial Position</u>	<b>2013</b>	<b>2012</b>
	\$	\$
Trade and other receivables	485,062	483,637
Trade and other payables	(82,997)	(4,817)
Borrowings	(3,000,000)	(3,000,000)

The Motor Trade Association of South Australia Inc and The Retail Motor Trading Co. Pty Ltd

<u>Statement of Comprehensive Income</u>	<b>2013</b>	<b>2012</b>
	\$	\$
Interest on Borrowings	9,040	9,061
	<u>9,040</u>	<u>9,061</u>

<u>Statement of Financial Position</u>	<b>2013</b>	<b>2012</b>
	\$	\$
Borrowings	160,000	160,000

## Notes to the consolidated financial statements (continued)

### 15. Key management personnel disclosures

The names of the Members of the Association's Board of Management who held office at any time during or since the end of the year are:

Neville Gibb	Roger Paech	
Frank Agostino	Dale John	
John Zulian	Robert Duns	
George Papillo	Tracy Butler	
Jeff Williams	Colin Butcher	
John Jansse	John Rowley	
Brian Weeks	Andrew Forrest	22 May 12 – 31 Mar 13
Peter Roberts	Martin Guppy	19 Feb 13 – 31 Mar 13
Clive Polley	Marc Cheney	01 Apr 12 - 18 July 12
Danny Shane	Theo Kruys	01 Apr 12 – 30 Jan 13
Ron Lewis	George Bolton	01 Apr 12 – 21 Aug 12

All other Members of the Board of Management held the position for the period of 01 April 2012 to 31 March 2013.

The names of the Members of the MTA Group Training Scheme's Board of Management who held office at any time during or since the end of the year are:

Neville Gibb	George Papillo
Frank Agostino	Clive Polley
John Zulian	Danny Shane
Peter Roberts 20 Nov 12- 31 Mar 13	Marc Cheney 01 Apr 12 – 18 July 12

No member of the Board of Management of the Association receives any remuneration (except travel cost reimbursement) other than in their capacity as an employee of the Association.

### Transactions with office holders

	MTA		Consolidated	
	2013	2012	2013	2012
Remuneration (including fringe benefits) received or due and receivable, by officers of the Consolidated Entity.	495,231	397,057	495,231	397,057

The names of the officers of the Consolidated Entry who held office at any time during or since the end of the year are:

John Chapman	
Paul Good	01 Apr 2012 – 29 Nov 2012

## Notes to the consolidated financial statements (continued)

During the year the following arms length transactions occurred with the Board of Management

	2013	2012
	\$	\$
Mr Roger Paech		
Provision of services for ride on lawn mower	159	892
Mr Clive Polley		
Purchase of diesel training aids for MTA Group	-	6,930
Training Scheme training centre		

Apart from the details disclosed in this note, no member of the Board of Management has entered into a material contract with the Association or the Consolidated Entity since the end of the previous financial year and there were no material contracts involving Board of Managements' interests existing at year-end.

### 16. Subsequent events

Other than that already disclosed, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

### 17. Information to be provided to members or registrar

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of the members is drawn to the provisions of Section 272 Fair Work (Registered Organisations) Act 2009, which reads as follows:

- (1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).
- (4) The General Manager may only make an application under subsection (1) at the request of a member of the reporting unit concerned, and the General Manager must provide to a member information received because of an application made at the request of the member.
- (5) A general purpose financial report prepared under section 253, a concise report prepared under section 265 and a report prepared under subsection 270(4) must include a notice drawing attention to subsections (1), (2) and (3) of this section and setting out those subsections.
- (6) Without limiting the information that may be prescribed under subsection (1), the information prescribed must include details (including the amount) of any fees paid by the reporting unit for payroll deduction services provided by a person who is an employer of:
  - (a) the member making the application for information; or
  - (b) the member at whose request the application was made.

## Notes to the consolidated financial statements (continued)

### **18. Association details**

The principal place of business of the Association is:

81 Greenhill Road, Wayville, Adelaide, South Australia.

MTA's print and stationery department is located at its 3 Frederick Road, Royal Park, South Australia premises.

The MTA Group Training Scheme Inc is located at 3 Frederick Road, Royal Park, South Australia.

### **19. Principal activities**

The principal activities of the Association during the financial year were:

To protect and promote the interests of members by:-

- Providing a political voice for the retail motor industry;
- Providing an industry voice in discussion with all levels of government;
- Providing industrial award advice, advocacy and representation;
- Providing technical information and specialized industry stationery; and
- Training apprentices for the retail motor industry.

### **20. A Melville Memorial Fund**

Funds amounting to \$3,776 are held on behalf of the A Melville Memorial Fund and invested with the Association funds as interest earning deposits.

**THE MOTOR TRADE ASSOCIATION  
OF SOUTH AUSTRALIA INC.  
BOARD OF MANAGEMENT STATEMENT**

On 21st of May 2013 the Board of Management of the Motor Trade Association of SA Inc. passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 March 2013.

The Board of Management declares in relation to the GPFR that in its opinion:

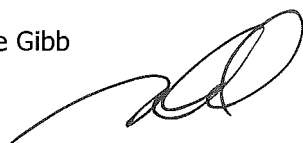
- (a) the financial statements and notes comply with the Australian Accounting Standards – Reduced Disclosure Requirements (AASB - RRs) adopted by the Australian Accounting Standards Board and Associations Incorporations Act 1985 (as amended) and Fair Work (Registered Organisations) Act 2009;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager of FWA;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows on the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the Board of Management were held in accordance with the rules of the organisation including the rules of the branch concerned;
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of the branch concerned;
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009;
  - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation;
  - (v) the information sought in any request of a member of the reporting unit or a General Manager duly made under Section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or the General Manager of FWA; and
  - (vi) No orders have been made by the Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period.

For Board of Management

Title of Office held: President

Name: Neville Gibb

Signature:



Date: 21<sup>st</sup> May 2013



**THE MOTOR TRADE ASSOCIATION  
OF SOUTH AUSTRALIA INC.**

**STATEMENT BY THE BOARD OF MANAGEMENT**

As required by Section 35 (2) of the Associations Incorporation Act 1985 (as amended), pursuant to a resolution of the Board of Management, it is stated that:-

- [i] the accounts present fairly the results of the operations of the Association for the financial year and the state of affairs of the Association as at the end of the 2012/2013 financial year;
- [ii] the Board of Management has reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due;
- [iii] that the Association has subsidiaries as detailed in the accounts; and;
- [iv] that the Association is not a trustee of a trust.

Signed pursuant to a resolution of the Board of Management.



Neville Gibb



John Zulian

Dated this 21st day of May 2013

**THE MOTOR TRADE ASSOCIATION  
OF SOUTH AUSTRALIA INC.**

**REPORT BY THE BOARD OF MANAGEMENT**

As required by Section 35 (5) of the Associations Incorporation Act 1985 (as amended), pursuant to a resolution of the Board of Management, it is stated that:-

- [a] No benefit has been received as a result of a contract between an officer, firm or corporate (in which an officer or member of the association, is a member or has a substantial financial interest), and the Association.
- [b] No officer of the Association has received any payment or benefit of a pecuniary value other than as part of a negotiated remuneration package as an employee of the Association.

[c] Remuneration (including fringe benefits)	2013	2012
received or due and receivable, by	\$	\$
officers of the Association.	495,231	397,057

Signed pursuant to a resolution of the Board of Management.



Neville Gibb



John Zulian

Dated this 21<sup>st</sup> day of May 2013

## DECLARATION

### **THE MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INCORPORATED**

I, NEVILLE GIBB of Level 1, 81 Greenhill Road, Wayville in the State of South Australia, President, DO SOLEMNLY AND SINCERELY DECLARE as follows:

1. THAT I am the President of The Motor Trade Association of South Australia Inc (hereinafter referred to as MTA).
2. THAT the registered office of the MTA is Level 1, 81 Greenhill Road, Wayville, South Australia.
3. That the postal address of the office of the MTA is GPO Box 2204, Adelaide in the State of South Australia, and that the telephone number is (08) 8291 2000 and the fax number is (08) 8291 2099.
4. that the documents lodged herewith are copies of the full report referred to in s268 pursuant to 268(c) of the Fair Work (Registered Organisations) Regulations 2009, that the enclosed Financial Report for the 2012/2013 financial year are copies of the documents to be presented to members at the Annual General Meeting held on Tuesday, 17th July 2013 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

I MAKE THIS DECLARATION in accordance with subsection 233(1) of the Fair Work (Registered Organisations) Regulations 2009, conscientiously believing the information contained in this declaration to be true in every particular.

DECLARED AND SUBSCRIBED

at Wayville, South Australia

this 21st day of May 2013

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}.....  
}  
}



## **Independent auditor's report to the members of The Motor Trade Association of SA Inc.**

### **Report on the financial report**

We have audited the accompanying financial report of The Motor Trade Association of SA Inc. (the Association), which comprises the statements of financial position as at 31 March 2013, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year ended on that date, notes 1 to 20 comprising a summary of significant accounting policies and other explanatory information and the Board of Management's Declaration of the Group comprising the Association and the entities it controlled at the year's end or from time to time during the financial year.

#### *Board of Management's responsibility for the financial report*

The Board of Management of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the Associations Incorporation Act 1985 (as amended) and Fair Work (Registered Organisations) Act 2009 and for such internal control as the Board of Management determine is necessary to enable the preparation of the financial report that is free from material misstatement whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Associations Incorporation Act 1985 (as amended), Fair Work (Registered Organisations) Act 2009 and Australian Accounting Standards – Reduced Disclosure Requirements, a view which is consistent with our understanding of the Association's and the Group's financial position and of their performance.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



*Auditor's opinion*

In our opinion the financial report of The Motor Trade Association of SA Inc. is in accordance with the Associations Incorporation Act 1985 (as amended) and Fair Work (Registered Organisations) Act 2009, including:

- (a) presenting fairly the Association's and the Group's financial position as at 31 March 2013 and of their performance for the year ended on that date;
- (b) complying with Australian Accounting Standards -- Reduced Disclosure Requirements.

  
KPMG



Darren Ball  
*Partner*

Adelaide

21 May 2013



Motor Trade Association  
Level 1, 81 Greenhill Road  
Wayville SA 5034

**Telephone** (08) 8291 2000  
**Facsimile** (08) 8291 2099

MTA Training & Employment Centre  
3 Frederick Road  
Royal Park SA 5014

**Telephone** (08) 8241 0522  
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**Email** [mta@mta-sa.asn.au](mailto:mta@mta-sa.asn.au)

**Web** [www.mta-sa.asn.au](http://www.mta-sa.asn.au)

 [facebook.com/MotorTradeAssociationSA](https://facebook.com/MotorTradeAssociationSA)

 [twitter.com/MTAofSA](https://twitter.com/MTAofSA)



# MTA Annual Report

2012-  
2013

# 87<sup>th</sup> Annual General Meeting

**87<sup>th</sup> Annual General Meeting of the Motor Trade Association of South Australia Incorporated to be held on Tuesday 16<sup>th</sup> July 2013 at 7.30pm at the Adelaide Entertainment Centre, Port Road, Hindmarsh, SA 5007.**

## AGENDA

1. Notice of meeting and recording of apologies
2. To adopt the minutes of the 86<sup>th</sup> AGM held 18<sup>th</sup> July 2012
3. To adopt the minutes of the extraordinary general meeting held 21<sup>st</sup> May 2013
4. To receive the Financial Statement of the year ended 31<sup>st</sup> March 2013
5. To receive the report of the Board of Management on the affairs of the Association during the preceding year
6. To appoint an auditor or auditors, and to fix his/her remuneration
7. To declare the results of the election of officers
8. To consider any business submitted by the Board
9. To consider any other business (under rule 32\*)
10. Closure

### \*Rule 32

No business shall be transacted at any General Meeting except that stated on the notice convening such meeting unless in the case of the Annual General Meeting such business may be proceeded with if three fourths of the Members present in person or by proxy shall consent thereto.



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## MTA Board of Management 2012/2013

President

Neville Gibb

Vice-President

John Zulian

Past President

Frank Agostino

Representative of Members

George Papillo

Trade Representative

Clive Polley

Trade Representative

Danny Shane

Trade Representative

Peter Roberts

### TRADE DIVISIONS

Australia Automotive Dealers Association of SA

Marc Cheney<sup>1</sup>

Automotive Dismantlers

Ron Lewis

Auto Repair & Engineering

Brian Weeks

Body Repair

Jeff Williams

Commercial Vehicle Industry Association of SA

Clive Polley

Farm & Industrial Machinery Dealers Association of SA

Colin Butcher

Licensed Vehicle Dealers

Andy Forrest

Motorcycle Industry Association of SA

George Bolton/Martin Guppy<sup>2/3</sup>

Service Station

Theo Kruys<sup>4</sup>

Towing Services

John Jansse

### COUNTRY ZONES

Central

Roger Paech

Lower North

Dale John

Riverland

John Rowley

South Eastern

Peter Roberts

Southern

Danny Shane

Lower Eyre Peninsula

Robert Duns

Upper Spencer Gulf

Tracy Butler

### NOTES:

1. Marc Cheney resigned on 19<sup>th</sup> September 2012
2. George Bolton resigned on 21<sup>st</sup> August 2012
3. Martin Guppy filled vacancy on 19<sup>th</sup> February 2013
4. Theo Kruys resigned on 30<sup>th</sup> January 2013



Back (L to R): John Rowley, Roger Paech, Dale John, Martin Guppy, Danny Shane, Ron Lewis, Colin Butcher, Clive Polley, Roberts Duns, Jeff Williams, John Jansse. Front (L to R): Peter Roberts, MTA Vice-President John Zulian, MTA President Neville Gibb, MTA CEO John Chapman, Tracy Butler and Minutes Secretary Tracy Simpson. Absent: Frank Agostino, George Papillo, Brian Weeks, Andy Forrest.

# President's Report



It has been a very busy and productive year for the MTA with an agenda that seems to be ever increasing.

I would like to, at the outset of this report, acknowledge the hard work of all the staff at the MTA who, under the strong leadership of CEO John Chapman, continue to effectively manage the business of the Association for the benefit of the Members.

## SHOP TRADING HOURS

Last year saw the MTA endure the impact of the new part day public holidays on Christmas Eve and New Year's Eve which affected many of our service station Members.

We have continued to highlight the cost of this piece of legislation which was the result of a cosy deal between the State Government, Business SA and the Shop, Distributive and Allied Employees Association to deliver trading on other public holidays to a handful of retailers in Adelaide's Central Business District.

The MTA and a number of other industry and business groups joined forces under the SA Business

Coalition banner to oppose the changes and during the year the Members agreed to incorporate the Coalition. We are well represented with our CEO John Chapman on the Board and Secretary of the organisation.

On a more positive note, the State Government has been prepared to listen to our industry in terms of Easter Saturday trading for dealer Members. During the legislative process last year, the State Government corrected a restriction on Easter Saturday trading for dealers which was inadvertently allowed in 2003.

Following complaints from a number of Members who had chosen to open on Easter Saturday, the State Government allowed individual exemptions last year and in 2013 at the MTA's request, invoked a State wide exemption which allowed Members to open if they wished to do so. A survey of dealer Members showed sentiment had changed since 2004 and more than two thirds were either not opposed or supported dealers being able to open if they so choose on Easter Saturday.

## APPRENTICE WAGES, PRODUCTIVITY AND AWARD REFORM

The last 12 months has seen the Unions try to again put a large impost on businesses, seeking a substantial increase to apprentice wages. In addition to this there has been an attempt to lower the adult age in the award from 21 to 18.

We, along with our interstate counterparts, have put together a response. The MTA, along with a number of Members also made time to give evidence at the Adelaide hearing.

While the decision is still pending we expect that the results will be known in the new financial year.

It astounds me that in the current political climate there are continual pushes to make it harder for the auto industry to compete and do business. While we agree that there is a need to remunerate apprentices appropriately, the consideration on what a higher wage would mean for the number of apprentices engaged by industry. This is a delicate balance and I believe that our position for a modest increase will achieve this balance.

There has been a new post-trade classification level added to the Award which was agreed to by all major stakeholders. This classification recognises those tradespeople at a Certificate IV level at a higher wage level. The majority of tradespeople in this classification are already receiving wages above the new classification and the impact to the industry will be minimal.



SA Business Coalition meeting in April 2012.

More details of the MTA's response and involvement in apprentice wages and award reform can be found in the Industrial Relations report.

### VEHICLE INSPECTIONS AT CHANGE OF OWNERSHIP

The MTA continues its lobbying to secure vehicle inspections at change of ownership and has been having discussions with various stakeholders in an attempt to secure widespread community and political support for this consumer, road safety and environmental initiative.

We continue to build our case for the consideration of both sides of politics in the lead up to the state election next year. Part of this saw us engage McGregor Tan to research the sentiment of consumers in October.

- 28% of the 400 respondent's surveyed thought the average age of a vehicle in South Australia was 10 years old. (40% thought the average vehicle ages in SA were 10, 11 or 12 years old)
- 97% of respondents believed it was important that vehicles were maintained to a minimum roadworthy standard (84% thought it was very important)
- Respondents were asked to rate on a scale of 1 to 5 where 5 is strongly supports and 1 is do not support at all, their level of support for two types of vehicle inspection schemes
- There was a **high level of support of 4.4 (or 86%)** for a vehicle inspection scheme which would ensure a



MTA President Neville Gibb, making our case for mandatory vehicle inspections to the Premier and other politicians in March 2012.

## WorkCover board in the firing line

**B**USINESS leaders have called for the WorkCover board to be sacked because it struggles to manage an unfunded liability of \$1.389 billion.

Motor Trades Association chief executive John Chapman said it was unacceptable the State Government's work injury insurance scheme's liability had increased by 45 per cent, or \$437 million, in the past financial year.

"If this happened in any business, the first thing to go would be the board," he said.

"It is nothing personal but it is about getting on and running an insurance business properly and there is a need for more insurance industry experience."

Currently, only two members of a nine-member board must be appointed in consultation with business interests. Mr Chapman said WorkCover premiums for



**MILES KEMP**

South Australian businesses were nearly double those of Victorian businesses.

WorkCover board chairman Philip Bentley said the organisation would make changes in this financial year to improve the scheme's performance but the board had more business experience now than at any time in its 25-year history.

He said the outcome of one court case alone this year had added more than \$50 million to the unfunded liability, when the court ruled against WorkCover.

Mr Bentley's business experience includes being a board member of six unlisted

companies in the hotel, hospitality and racing industries. Other business experience on the board includes the head of Prescott Securities, a former chief of Business SA, and a past general manager of Austereo Adelaide.

Mr Bentley said people should understand that the unfunded liability was the scheme's estimated future liabilities over about a 40-year future period - above what the organisation could currently pay.

"These estimated future liabilities are not payable now ... and their estimated size will continue to vary up or down with movements in interest rates," he said.

Australian Hotels Association chief executive and SA Business Coalition spokesman Ian Horne said all employers would agree that WorkCover was an "incredibly onerous burden".

## President's Report Continued

- second hand vehicle is roadworthy when it changes ownership
- There was a **mixed level of support of 3.4 (or 53%)** for an annual vehicle inspection scheme which would ensure every vehicle was roadworthy prior to registration renewal
- 77% of respondents said they would be willing to pay for a vehicle inspection scheme that ensures a second hand vehicle is roadworthy when it changes ownership
- The average amount that the 77% would pay for an inspection is \$123.63.

This recent survey of 400 indicates there is strong support for a vehicle inspection scheme that ensures a vehicle meets a minimum roadworthy standard when it changes ownership and that consumers would be willing to pay for this.

### WORKCOVER

It was also the year when WorkCover's new experience rating system for calculating premiums was introduced in July of 2012. This system was introduced with the aim of reducing the State's unfunded liability. But what we have seen is the unfunded liability grow to around \$1.4 billion.

On top of this we continue to have the highest levies in Australia and are seen by the business community as another tax that is stifling employment growth. According to SafeWork Australia, in 2009/10, the average premium in South Australia was 2.76%; the national average was 1.53%. The second highest premium was the ACT, at 2.03%,



MTA General Manager of Services and Recruitment Tim Buckley (right) thanks Clipsal 500 CEO Mark Warren and Commercial Manager Nathan Cayzer for addressing the MTA President's forum in November 2012.

while more direct competitors to South Australia mostly came in at below the national average (e.g. Victoria at 1.39%)<sup>1</sup>

While there have been significant changes to senior management of WorkCover, including the appointment of a new CEO, we have only seen minor changes to the Board.

As we have done over the last 12 months, we will continue to seek better governance of WorkCover and continue to lobby for a thorough independent review. Our current WorkCover scheme is stifling business in this state and the line needs to be drawn now.

### PRESIDENT'S FORUM

I had the pleasure of hosting my annual President's Invitational at the National Wine Centre in October. These events are a great opportunity for us to keep Members up-to-date on the happenings within the Association. Last year's event was particularly memorable as Clipsal 500 CEO Mark Warren and Commercial Manager Nathan Cayzer addressed the meeting. With the cars of the future kicking off at the March 2013 Clipsal 500, it was very topical.

What I found most interesting is just as we are all facing the challenges that emerging technologies are presenting, so is the motorsports industry.

The forum is also the occasion where we acknowledged the length of service of MTA Members. Members are the life of our organisation and to see businesses that have been contributing Members to our Association for 25, 50 and 75 continues to impress me as a President.

I would like to acknowledge my colleagues on the MTA Board of Management for their continued contribution to the organisation. We did have some retirements from the board through the year for varying reasons; however, the group remains passionate and committed to advancing the retail motor industry in South Australia.

I look forward to continuing to work hard over the next year to ensure we continue putting the strongest foot of the industry forward and we achieve the key initiatives we have set for ourselves.

Neville Gibb  
**President**

# Chief Executive Officer's Report



The 2012/13 year has proved challenging for the MTA and its Members with an economic climate which can best be described as "patchy".

Nonetheless the resilience of Members in tough economic times is extraordinary. The MTA fulfils its role of being a Member organisation in many ways and we have been pleased to be able to assist Members with the ongoing delivery of small business workshops which provided valuable advice on key areas of business operations including assessing cash flow, hourly rate calculation, and improving profitability – which after all is why we are all in business.

The workshops have been strongly supported by the State Government through the Department of Manufacturing, Innovation Trade, Resources and Energy (DMITRE) and this program is an example of how industry can deliver programs cost effectively on behalf of Government.

Another positive development is the agreement by the State Government through the Commissioner for Consumer Affairs, Paul White, to allocate up to \$40,000 from the Second Hand Vehicle Dealers Compensation Fund toward regulatory education for vehicle sales staff. The MTA will deliver the training in conjunction with Fusion Business Solutions.

On the regulatory front, the Commissioner has also agreed to review the requirement on second hand dealers which requires them to offer a warranty on vehicles up to 15 years old or have up to 200,000 km on the clock.

The MTA has long argued that SA is out of step with most other states which require a warranty on vehicles up to the age of 10 years or with a maximum of 160,000 km.

Any change will require amendment to the relevant legislation and we are now in discussions with both the State Government and Opposition in this regard.

Consumer and Business Services has also re-energised its compliance section and the MTA and its Licensed Vehicle Division were pleased to see the positive and aggressive approach being taken to those in the industry who choose not to comply with the law and seek to rip off consumers with bad practice, particularly the "backyarders".

It is also pleasing to see that our campaign with Local Government to crack down on roadside selling is having slow but steady success as more councils take action to stop the practice which is a road safety risk but also a haven for the

backyarders to enjoy their dodgy practices.

During a visit to the United States in 2012, I met with a group in Southern California who are delivering web based vehicle inspection systems in a number of US States as well as internationally. The technology would make the process much simpler for Members and importantly will provide the Government with a real time auditing process should this become the preferred option.

On the legislative front, the State Government introduced the Second Hand Goods Bill 2012 into Parliament. This was the third draft in three years which the Government and SA Police sought to impose a raft of restrictions, red tape and costs upon Members, mainly in the Auto Parts Recycling sector.

The arrival of a new Police Minister, Hon Michael O'Brien MP earlier in 2013 brought the first really genuine response to address our concerns. The MTA wrote to every member

## Council cracks down on roadside trading

GAWLER Council is developing a policy to deal with roadside trading after the practice of selling used cars on major roads was condemned by the Motor Trade Association of South Australia.

The MTA has claimed the illegal practice caused a three-car accident on Main North Road last month.

The association said the incident, which involved an SA Police car, highlighted the dangerous distraction that these sales posed and called on councils and police to stamp out the practice.

Gawler Council chief executive Stephen Kerrigan told *The Bonyip* council was developing a strategy to address concerns raised by the MTA and "provide further guidance".

Mr Kerrigan said the offence currently attracted a maximum penalty of \$2300, along with an expiration fee of \$210.

However, he said penalties would only be imposed if the vehicles were parked illegally and it could be proven that a business was being conducted.

"It first needs to be proved that a vehicle is being sold for business purposes, (for instance, councils) need to establish if they have a dealer's licence," he said.

While Mr Kerrigan admitted there were a couple of popular locations in

Gawler used by owners to display their private vehicles for sale, the cars were parked legally.

As reported by *The Bonyip* last month, Barossa Local Service Area Chief Inspector Alex Zimmermann said while vehicle owners could be saddled with a \$150 fine for the offence, police would continue to take a tolerant approach – with the exception of cases that blatantly endangered road users or pedestrians.

## Chief Executive Officer's Report Continued

of State Parliament outlining our concerns and we were very pleased that Minister O'Brien was more than prepared to sit down, discuss our concerns and provide the necessary commitments to the MTA which we sought on behalf of our Members.

As I write, the legislation is still to pass the Upper House and we will be keeping a close eye on its passage.

The year also saw the emergence of the Office of the Small Business Commissioner following the passage of the legislation in 2011. The MTA was a key supporter of the State Government in this legislation which was opposed by the Liberal Opposition on the grounds of cost and red tape.

I am very pleased to say that we have ongoing and constructive



Deputy Small Business Commissioner Associate Professor Frank Zumbo, Farm & Industrial Machinery Dealers Association of SA Chairman Matthew East and Small Business Commissioner Mike Sinkunas in April 2012.

dialogue with the Commissioner Mike Sinkunas and his Deputy Commissioner Professor Frank Zumbo. A number of Member issues have been referred to the Commissioner during the past 12 months and there have been successful outcomes in a number of cases where franchisors have used unfair tactics against our franchisee Members.

The MTA has been actively involved in discussions relating to a Farm Machinery Code and a Motor Vehicle Code which are likely to be introduced later in the 2013 calendar year.

As an association made up largely of small business Members, we need every possible assistance to fight the top end of town who seem determined to slash and burn, use predatory behaviour and often sheer financial strength to get the result they want.

While on the competition issues,

### ACCC must put Woolies, Coles under the pump



**OPINION**  
**JOHN CHAPMAN**  
INDEPENDENT petrol retailers are encouraged by the latest words from the chairman of the Australia Competition and Consumer Commission, Rod Sims, on Woolworths' and Coles' anti-competitive behaviour in the retail fuel sector. The ACCC's so-called plans to "tear up their 8c-a-litre shopper docket" is an encouraging move and one which the Motor Trade Association has been advocating for many years. The MTA maintains the position that Woolworths

and Coles have been cross-subsidising their petrol business with the profits from their grocery operations in an effort to drive out independent retailers.

We all know the end game is to form a cosy duopoly which will dominate the marketplace. The ACCC has now come to the same conclusion.

Mr Sims is quoted as saying "the size and extent of these discounts have been going up and up. If they continue like this, how do these people (the competitors) survive?"

Why should the supermarkets use their profits on groceries to subsidise fuel for some motorists?

It is unfair in terms of independents trying to operate in a so-called competitive market. Any thought of Coles

and Woolworths being philanthropic towards consumers after the independents are gone is hollow.

The discounts will disappear and motorists will be forced to buy fuel off the grocers at higher prices.

The MTA, its interstate counterparts and the Australian Motor Industry Federation have been progressively providing information on the behaviours of the major supermarket chains.

The test for the ACCC is to do more than issue strongly worded statements. The MTA has been extremely critical of the ACCC and its investigation into a number of complaints of predatory behaviour involving one of the major supermarkets and some independent fuel retailers in regional SA.

The investigation triggered by the MTA's complaint took almost two years and the outcome was that the investigation was being closed as there was "insufficient evidence to support alleged misuse of market power and predatory pricing". This was despite some very comprehensive evidence being provided to the contrary by one of our members who monitored fuel pricing in his area for a number of months.

It's not good enough for the ACCC to expect independent retailers to gather evidence.

That's the job of the ACCC and its anonymous Fuel Commissioner, Joe Dimasi.

John Chapman is chief executive of the Motor Trade Association (SA)

the MTA also called on the Australian Competition and Consumer Commission (ACCC) to put its words into action.

Independent petrol retailers were encouraged by the latest words from the Chairman of the Australia Competition and Consumer Commission Rod Sims on Woolworths and Coles anti competitive behaviour in the retail fuel sector.

The ACCC's plans to "tear up their 8 cent a litre shopper docket" is an encouraging development and one which the MTA has been advocating for many years.

The MTA maintains the position that Woolworths and Coles have been cross subsidising their petrol business with the profits from their grocery operations in an effort to drive out independent retailers.

We all know the end game is to form a cosy duopoly which will dominate the market place.

Source: The Advertiser 2 March 2013 p 70



The ACCC has now come to the same conclusion.

Mr Simms is quoted as saying "the size and extent of these discounts have been going up and up and up... If they continue like this...how do these people (the competitors) survive?"

The MTA, its interstate counterparts and its national organisation, the Australian Motor Industry Federation have been progressively providing information on the behaviours of the major supermarket chains.

The test for the ACCC is to do more than issue strongly worded statements and put its plans into action.

The MTA has been extremely critical of the ACCC and its investigation into a number of complaints of predatory behaviour involving one of the major supermarkets and a number of regional SA independent fuel retailers.

The investigation triggered by the MTA's complaint took nearly two years and the final outcome of the investigation was it being closed as there was "insufficient evidence to support alleged misuse of market power and predatory pricing."

This was despite some very comprehensive evidence being provided to the contrary, by one of our Members who monitored fuel pricing in his area for a number of months.

It is not good enough for the ACCC to expect independent retailers who are struggling to make a living to suddenly become the investigators and to gather evidence for the ACCC. That is the job of

the ACCC and its anonymous Fuel Commissioner Joe Dimasi.

The ACCC must now show that it is not a toothless tiger and act on the anti-competitive behaviour in the fuel retailing market place.

The MTA continues to work actively on the political front and President Neville Gibb and myself attend many forums with both State and Federal Members of Parliament to ensure our views on issues affecting our industry are widely known.

During the year we hosted events for Hon. Christopher Pyne MP and David Pisoni MP and Hon. Rob Lucas MLC while then Opposition Leader Isobel Redmond visited our Royal Park Training and Employment Centre in September 2012.

The Premier, Hon. Jay Weatherill MP was also a guest of the MTA Training and Employment Centre and was taken on a tour of the three hectare site which included sitting in the driver's seat and starting Project

Monaro – the show car developed by MTA staff and apprentices.

The MTA continues to be active in terms of policy development including the preparation of a detailed submission to State Parliament's Economic and Finance Committee and the annual budget submission to the State Government.

This year's State budget submission strongly argued for change including tax reform but also in particular the need to reform WorkCover including a fully independent review of the corporation.

Royal Park operations remain vitally important to the automotive industry and during the year the MTA developed early concept plans for a new building to replace most of the existing classrooms and administration area. Further detailed planning work will be undertaken in the next 12 months but it is recognised that this is a long term project as the construction costs will



Former Leader of the State Opposition Ms Isobel Redmond MP looking at the MTA's new Hybrid Training Course Materials on her visit of the Training and Employment Centre in September 2012.

## Chief Executive Officer's Report Continued

run into the millions and Government assistance will be required to turn the concept to reality.

During the year the MTA's Group Training Scheme celebrated its 30<sup>th</sup> Birthday and I would like to acknowledge all who have been involved in the scheme's development over the past three decades and currently for their efforts. A detailed summary of the event is contained in the MTA Group Training Scheme Inc. Chairman's annual report.

For many years the MTA has provided advice to the Government on training matters and as well as our own approaches, in the past seven years, the MTA has held two positions on the Manufacturing Industry Skills Advisory Council (MISAC).

Earlier this year the State Government advised it was not going to provide funding to the industry skills councils including MISAC beyond 30<sup>th</sup> June 2013. As a result, the MTA representatives (of which I am one) resigned their positions on the MISAC Board in February 2012.

We will continue to provide advice on our industry sector direct to the Government and in addition I represent our industry at a National level on the Board of Auto Skills Australia which is the peak training body for the automotive sector.

Our association continues to work on ways to help Members and one initiative introduced several years ago, the online Employee Relations Information System (ERIS), is proving to be a very cost effective

solution for Members seeking to manage their human resources, industrial relations and Work Health Safety information. We are currently looking at ways to improve ERIS to make it even more effective and would appreciate feedback.

The focus on Work Health Safety (formerly Occupational Health and Safety) increased in 2012 with the passage of a new act which was aimed at harmonising South Australia's laws with national laws.

However after a series of amendments during the parliamentary passage it became clear that the legislation would not meet the objective of harmonisation and the MTA's original support for the Bill was withdrawn (along with those from a number of other industry associations). The Government chose to ignore this opposition and secured the passage with the help of an independent in the Upper House.

The new legislation took effect on 1<sup>st</sup> January 2013 and the MTA has conducted a series of sessions for Members to outline the changes under the legislation and the new responsibilities they have as employers.

The MTA's commitment in this area is exemplified by the employment of Work Health Safety specialist, Ms Deb Hegarty, to assist Members with advice, on site auditing and training including Certificate IV in Occupational Health and Safety.

During the year, there was considerable uptake on the Greenstamp Environmental program

by Members who engaged in the three stage accreditation program and we expect further consolidation of this important program during the next 12 months.

The MTA is also working with its Victorian and West Australian counterparts to join with MTA-NSW in its project to deliver a "real time" system, e-MTA, to the collision repair industry. The requirement for a "real time" system was outlined in a Productivity Commission report in 2004. At the time of writing, the project was taking shape with the involvement of three insurance companies who will hold a share in e-MTA as will the respective state MTA's and VACC.

The ageing of the population and the issue of mobility was another area which we canvassed Member's views during the year. We undertook a survey of dealer Members to assess interest in the areas of personal mobility (e.g. gohpers) which could provide another revenue source but also extend the customer lifecycle in their business.

However I was disappointed to find only two Members were willing to explore the area further with a group we were in discussions with. I believe it is a major growth area and one all Members should consider in their future business planning.

Membership continues to be a challenge for our industry but I am pleased to say that the strong efforts of our "on-the-road" staff have ensured that our membership has had a slight growth to 1160 in the year to the end of March 2013.

Financially the MTA performed strongly in the 2012/13 year with a surplus of \$334,468 while the MTA Group Training Scheme Inc recorded a deficit of (\$176,667).

At a consolidated level the overall result was \$153,973.

The Australian Tax Office provided the MTA with confirmation that its taxation status was that of a not for profit employer association. There had been a lack of clarity on the MTA's tax status for many years and as a result, the MTA Board directed that an application should be made to the ATO for a private binding ruling which was received in March 2013. At the time of writing, a similar application for the MTA-GTS remained under consideration.

I would like to thank our Board of Management for their ongoing

commitment to ensuring the MTA remains a strong and influential organisation. In 2012, the physical distribution of board papers was stopped and we moved to screen-based agendas with the use of iPads. Governance of the MTA remains a priority with all Board Members taking part in an annual session on this important corporate area while information is distributed to Board Members regularly on key issues which may assist their future deliberations.

During the year we unfortunately had the resignation of three Board Members.

The Motorcycle Division lost the services of George Bolton after 35 years due to George selling his business to take up other opportunities.

George was a strong and influential advocate for the motorcycle industry sector. This is also true of Theo Kruijs who resigned from all MTA positions after representing the Service Station Division for 29 years and was MTA Treasurer for three years.

Marc Cheney also resigned his positions on the Board and the Australian Automobile Dealers Association (AADA) which was another great loss to the MTA. Marc had played a pivotal role in restructuring AADA at a National level and winning support back from the Victorian, New South Wales and Queensland divisions.

I would personally like to thank George, Theo and Marc for their commitment to the MTA and its Members and their support of me over the past seven years (and to my predecessors!).

I would also like to thank all the MTA staff – they are the ones who make it all happen on a daily basis and work continuously for you as a Member.

During the year we recognised a number of staff who have completed milestones of employment with the MTA (some recognitions were long overdue).

They are:

25 years – Sue Chaplin

20 years – Tony Taddeo, Gail Sutherland and Roger Ballantine

10 years – James Beare, Joanne Clelland, Joe Cirillo, Mario Marrone, Paul Good, Robert MacGregor, Sherylynn Mackey and Tim Buckley.

Finally I would like to thank each and every MTA Member for their support of the Association and its activities.

Your continued support is vital to our industry maintaining a strong political voice on your behalf.

John Chapman

**Chief Executive Officer**



The Premier, Hon Jay Weatherill MP congratulates MTA Senior Administration Officer Sue Chaplin on 25 years with the MTA when he visited the Training & Employment Centre in July 2012.

# MTA Financial Report



The past financial year has been one of steady achievement of the MTA.

Of particular note is that the year marked the fifth successive period in which membership numbers increased.

With the dedicated focus of MTA staff we have been able to positively address a trend of ongoing decline numbers. Our membership now stands at 1160 as at 31<sup>st</sup> March 2013.

I congratulate all staff who have been involved in securing new Members for our organisations and I thank all Members for their support of one of South Australia's leading business organisations.

At a financial level, it has been a very satisfactory year for the MTA but a difficult year for its subsidiary MTA-GTS.

The MTA's surplus for the year was \$334,468 while MTA-GTS reported a deficit of (\$176,667).

In 2011 the MTA made substantial shifts in our investment strategy with the purchase of two investment properties.

The property purchases are designed to produce income as well as long term capital growth to support the previous policy of investment in bank term deposits.

The property at 46 Fullarton Road is fully leased to four tenants on various lease terms.

The second property at 3 Schenker Drive Royal Park is fully leased with

the current tenant extending their lease for a two year period. From a strategic perspective, the property provides the ability for the MTA to expand its operations in a number of areas in the future if it wished to do so.

During the year, the MTA continued its partnership agreement with SGIC Business Insurance. The partnership agreement has been in place for many years and we thank SGIC for their ongoing support of our industry.

The MTA also continued a long time partnership with Capricorn during the year which provides an annual sponsorship fee. Again I would like to thank Capricorn for their continued support of our Members and the retail automotive industry.

The MTA also continues to deliver a number of business partnerships across a range of services. During the year the MTA strengthened existing partnerships with the Commonwealth Bank and Bupa to improve the services for Members. We also added a new business partner, Kemps National Debt Recovery.

The Audit Committee met three times during the year as it provided oversight and advice on the governance and management of the Association's finances to the Board of Management.

The composition of the committee was:

- Theo Kruys, Board Member (Resigned 30 Jan 2013)

- Russell Bates Financial Controller CMI Group
- Clive Polley, Board Member

The Committee was also attended by our Auditors KPMG.

On that note on behalf of the Board of Management of the MTA, I would like to express my appreciation to KPMG Audit Partner Darren Ball and his team for their efforts, support and advice.

The MTA also has a Remuneration Committee which reviews matters relating to the CEO and senior staff.

The Remuneration Committee was extended to include the full Executive Committee and met once during the year to consider the remuneration of the CEO.

The recommendation was then submitted to the full Board of Management for approval.

The key financial results are:

- A surplus in 2012/13 of \$334,468 for MTA (\$305,011 in 2011/12)
- A consolidated surplus of \$153,973 (\$1,202,269 in 2011/12)
- Total consolidated Member's equity of \$ 20,621,419 (\$20,467,446 in 2011/12)

The MTA income is now largely derived from:

- Membership;
- Business Partners;
- rental income on our Greenhill Road Wayville, Royal Park

Training Centre Schenker Drive  
Royal Park and Fullarton Road  
Norwood properties;

- investment income (including MTAA House);
- Management and Administrative recoveries from the Group Scheme and
- Printing and Stationery

Membership income for the year was \$1,303,111 compared with \$1,237,703 in 2011/12

Our investment in a Canberra office block which houses our national body, the Motor Trade Association of Australia, produced income of \$86,040 to the MTA in 2012/13

Our current MTA asset profile as at 31st March 2013 shows:

MTAA House Canberra=	12.0%
Royal Park Training Centre=	5.4%
81 & 83 Greenhill Road Wayville=	20.4%
3 Schenker Drive Royal Park=	12.1%
46 Fullarton Road Norwood=	19.2%
Other Fixed Assets =	8.4%
Cash and Term Deposits=	17.7%
Others (receivables, stock etc)=	6.1%

The MTA continues to expand the services to Members through its printing and stationery facility which provides cost effective printing services to Members and also the MTA.

Finally I must recognise the efforts and support of the Board of the MTA, the Executive Committee, MTA

Management and Staff who have again delivered another positive year for our Association.

Russell Smith

**Financial Controller**

# Industrial Relations, WHS and Environmental Services

## ADVISORY SERVICE

Responding to telephone and e-mail enquiries from Members continues to be the main service provided by the department. Common enquiries include rates of pay, leave calculations, WorkCover, Work Health Safety obligations, performance counselling and termination procedures.

In addition to these services the department provides a range of training courses and information workshops.

Additional sessions are provided upon request for individual Members and tailored to meet their particular needs.

## STAFF

The department continues to strengthen and expand its services

in response to a rapidly changing industrial relations environment over the past 12 months.

Anna Moeller continues to lead the department with Paul Eblen in his role of Specialist Industrial Relations, Health Safety Environment and Training Consultant, working specifically on government submissions and complex Member issues.

Michael Sheehan has expanded his expertise to cover Work Health Safety, WorkCover and matters of national industry concern.

Gail Sutherland continues to provide administrative assistance to the team, specialising in leave entitlements and calculations.

Our new Environmental Specialist, Alycia Zulian, has been a valuable

addition to the department. She is working hard to expand the role previously carried out by Carly Roworth with the introduction of additional training sessions and environmental services.

Deb Hegarty, previously a Work Health Safety consultant to the MTA for the past eight years, has now joined the team and is situated at Royal Park. Deb is taking a lead role in delivering training to Members across a wide range of topics including Certificate IV in Occupational Health and Safety.

## WORKCOVER

Commencing January 2013 WorkCover now has two agents assisting with the management of claims – Gallagher Bassett and Employers Mutual Limited. The Minister for Industrial Relations has also announced a review of the legislative, administrative and operational aspects of the South Australian workers compensation scheme.

This review replaces the improvement plan announced by the Premier some months ago. MTA has provided a substantive submission and is awaiting a response from the Government. In the interim the association will continue to lobby to the Government in relation to the poor performance of a scheme that imposes yet another 'tax' on employers.

IR Courses/Workshops Delivered	Attendees
Manager/Supervisor	76
Occupational Health & Safety Compliance for Managers & Supervisors	42
ERIS	28
Inservice Electrical Testing	32
Responsible Officer training	46
External non-MTA Training	61
Behaving Badly	46
Contracts of Employment	5
Work Health Safety Legislation Briefing	43
Fire Warden Training	12
Occupational Health & Safety Committee	5
Industrial Relations training for Managers	5
Risk Management	8
Legislative Compliance for Managers	15
Cert IV Occupational Health and Safety	85

## RETURN TO WORK FUND

MTA has applied and reached the final funding round for projects designed to improve return to work rates across the industry. The application is seeking funding to enable the provision of the following services to Members:

- Additional training for workers, employers and return to work coordinators
- An early intervention pilot program for apprentices
- The establishment of a multi-disciplinary panel designed to assist with the progression of complex workers compensation matters and achieve a successful return to work where viable
- The creation of job dictionaries for employers to identify alternate roles within their business enabling a rapid and effective return to work of the injured employee.

## REVIEW OF APPRENTICE WAGES AND CONDITIONS

The review of apprenticeship wages and conditions in modern awards is, at the time of reporting, in its concluding stages. The ACTU and its affiliate Unions have made a claim for increases of \$127.30 in Year 1, \$70.68 in Year 2 and \$28.12 in Year 4 of the junior apprenticeship structure in modern awards. The claim seeks to increase adult apprenticeship rates and to classify an apprentice commencing an apprenticeship at 20 years of age, as an adult apprentice.

The Union application also proposes to vary a number of apprenticeship provisions in awards in relation to travelling time and fares, training costs, overtime conditions quality of work and probation periods.

In a separate claim in the General Retail Industry Award, the relevant Union has filed an application to progressively reduce the adult age in the Award from 21 years to 18 years. If successful, this could flow-on to other modern awards and have a major impact on the engagement of juniors.

MTA, in conjunction with the other state MTA organisations and the VACC, has represented the interests of Members in the automotive industry in the apprenticeship review. In line with the majority of Members' views, we have advocated support for a 'modest' increase in apprenticeship wages especially in the initial years of the apprenticeship. However, we have also stressed that any increase as proposed by the Union will only have an adverse impact on the future engagement of apprentices. We have opposed the other variations sought as they would adversely affect the ongoing viability of group training schemes.

A number of MTA Members gave evidence in the Adelaide hearing in support of our position, including MTA Chief Executive Officer, Mr John Chapman.

A decision is expected early in the coming financial year.

## AWARD MODERNISATION

The mid-term review of modern awards has seen a number of agreed variations in the Vehicle Modern Award. Most of these changes go towards addressing existing errors and omissions and in providing more clarity in the application of award terms.

Of significance however, is the introduction of a new post-trade classification level (Level R7) in the

Award which will relate to a Master Technician level. The variation represents an agreement reached by all the major industrial parties to the Award. An employee at this level would be required by the employer to perform technical duties above the skills of a tradesperson and will hold a Certificate IV (AQF-Level 4) automotive qualification from a relevant national automotive training package. The wage level for the new classification is set at 115% of the trade rate or \$772.40 per week.

The Union has also sought the introduction of a mid-point classification between the trade level and the new classification. It is likely that this will only be progressed at the full four year review of modern awards next year.

## CERTIFICATE IV OCCUPATIONAL HEALTH & SAFETY

MTA continues to deliver Certificate IV in Occupational Health and Safety to the motor trade industry and to a lesser degree an extended range of industries. A total of 85 participants were involved with our course last year, with additional enrolments continuing. Additional training groups will be added throughout the course of the year as required.

The State Government *Skills For All* funding initiative has enabled the MTA to deliver this qualification either free of charge or at a highly subsidised rate across industries. MTA staff deliver this course through the MTA Group Training Scheme Inc. Registered Training Organisation at MTA House located at Greenhill Road.

## Industrial Relations, WHS and Environmental Services Continued

### WORK HEALTH SAFETY

Staff have continued to conduct Work Health Safety (WHS) audits under the program originally established in 2011 through grant monies provided by Employers Mutual Limited. This confidential service is offered at a highly subsidised rate to assist Members in understanding and meeting their Work Health Safety obligations. This service is extremely popular with Members and of even greater importance with the introduction of the harmonised Work Health Safety legislation.

In addition to the general advisory and auditing service offered by the Industrial Department the range of work health training provided has been expanded to include training for officers, risk management, privacy and rehabilitation and return to work for injured workers.

### ENVIRONMENTAL MANAGEMENT

Members are increasingly taking advantage of MTA's confidential environmental assessments to help them identify environmental management improvements. The MTA Green Stamp Plus Environmental Accreditation program continues to grow as does the demand for general environmental auditing. The addition of Alycia Zulian to the team has enabled an expansion of services with the introduction of environmental training at our Greenhill Road offices.



MTA Board Member Jeff Williams achieved Level 3 Green Stamp Accreditation for his Business Specific Prestige.

### ERIS

Over 100 Members currently subscribe to ERIS, MTA's online Employment Relations Information System. This system provides information and tools to assist with Work Health Safety, industrial relations, human resources, payroll and more. With over 5000 pages of

industry specific information, email reminders, policy builders, record keeping and workplace inspection tools ERIS reduces paper work and streamlines processes. MTA will continue to offer subscribers free training on the use of ERIS throughout the year ahead.





# TRADE DIVISIONS MTA

# 2012- 2013

# Australian Automobile Dealers Association of SA



Mike Claridge

## Chairman

Marc Cheney (Apr - Sep 12)

Mike Claridge (Oct 12 - 31<sup>st</sup> March 13)

## Vice Chairman

Michael Claridge (1<sup>st</sup> Apr - Oct 12)

## Committee

Frank Bamford

Hillar Puvi

Paul Page

LeRoy Uren

Frank Torcaso

Vince Petraccaro

Peter Thomas

Peter Roberts

## Division Manager

Roger Ballantine

The focus for Australian Automobile Dealers Assoc. of SA (AADA) activities has been very much at the national level with all of the state and territory associations (MTA's and VACC) now having AADA Directors participating in regular national meetings. Funding and policy planning issues for the AADA are formulated and progressed at these meetings.

Marc Cheney resigned as the national Chairman of AADA in September 2012 and the position is now held by Ian Field (MTA-Q) with Mr Richard Dudley, Australian Motor Industry Federation (AMIF) as the AADA CEO and Secretary.

Richard Dudley has, in a short period

of time, identified some of the areas of concern:

- Future income streams
- 2013 AADA Convention and beyond
- Federal Budget submissions
- Luxury Car Tax (with the Federal Election announced)
- Franchise Code
- Internet Advertising
- Consumer Guarantees

In January 2013 the then Federal Minister for Small Business appointed Alan Wein to conduct a scheduled review of the Franchising Code of Conduct with specific terms of reference.

AADA/AMIF have responded with a strong submission repeating calls for a motor industry specific Code and with a raft of suggested amendments to the existing Code.

AADA/AMIF have reacted with a submission to an ongoing project by the Productivity Commission who are evaluating the impact of "Red Tape" on small business.

Of current concern is a move by Federal Treasury to re-introduce an Australian Financial Services Licence requirement for all point of sale "vendor introducers".

The AADA/AMIF efforts previously secured an exemption from the full effect of the National Consumer Credit Protection Act 2010 for Finance and Insurance staff in the role of vendor introducers.

As an industry we have many challenges to deal with and

not only at a government level (State and Federal) but also from the manufacturer side which can all threaten the viability of our businesses and the large investments our dealers have. The recent announcements discussing the longevity of motor vehicle manufacturing in Australia bring a level of uncertainty to all sectors including buyers.

A Dealer voice nationally is vitally important given some of the issues we are facing such as the impact of the Carbon Tax, Personal Property Securities Law, Franchising, Australian Consumer Laws and Consumer Credit Reform.

The Australian Consumer Law "warranties against defects" requirements and the previously introduced "consumer guarantees" have an increasing potential to impact on your business as consumer awareness grows.

The unfortunate fact is that the consumer guarantee legislation does not allow for the unique circumstances associated with vehicle retailing and in particular the question of a refund as a result of a "major failure".

Mr Richard Dudley (AMIF), on behalf of the state MTA's/VACC, has approached the Federal Government to review the application of this legislation and its impact on motor vehicle retailing.

## LUXURY CAR TAX

This is a tax that has bi-partisan support and complete abolition is



AADA Victoria representative David Nutter and AADA SA Director and MTA President Neville Gibb at the 2012 AADA National Convention on the Gold Coast.

unlikely to be entertained by any political party, however, there will be a national campaign leading up to the Federal Election with the aim of lifting the LCT threshold and fixing a reduced tax rate to bring a semblance of fairness to the application of this tax.

### **AADA NATIONAL CONVENTION**

For some time now there has been a concern that the AADA National Conventions have been less relevant to the primary target audience of Dealer Principals/Business Owners. The 2012 AADA National Convention in Surfers Paradise received a great

response with delegate numbers on the rise and very favourable response to the shift in location. As a result of this the 2013 AADA Convention will return to Surfers Paradise with a more industry focussed program.

The state AADA committee have recognised the changing face of dealership operations and ownership and to this end is seeking assistance from Members (owners) in having a nominated person within the Dealership (in addition to the Member owner) as a contact for committee or Country Zone meetings.

### **MARKET**

Total new registrations in SA for the year ending December 2012 totalled 67,014 units (including commercial vehicles) which was an increase of +7.1% when compared to 2011 although it was still below the FCAI national average of +10.3%.

I would like to thank CEO John Chapman for his untiring efforts in lobbying on behalf of this industry, Roger Ballantine and the MTA staff and our AMIF/AADA staff for their dedication.

Mike Claridge  
**Chairman**

# Automotive Repair & Engineering Division



Brian Weeks

(Incorporating the Automatic Transmission, Steering and Suspension, Brake Specialist, Radiator Repairer, Auto Electrical and Engine Reconditioning Divisions)

## Chair, Board Representative and State Delegate AARA

Brian Weeks

## Vice Chair

John Eglezos

## State Delegate Engine Reconditioning Association of Australia (ERAA)

Peter Cox

## Committee

Peter Stewart

Daryl Siggs

Craig Gough

Michael Cini

Scott Colmer

Peter Young

Mark Podlewski

John Hurley

Frank Bria

Brad Young

## Division Manager

Jason Polgreen

## AUTO REPAIR DIVISION MEETINGS

The Automotive Repair & Engineering Division met three times during the 2012/13 period. All meetings for the period were well attended with the MTA's push for mandatory vehicle inspections at change of ownership still a major focus.

The September meeting was attended by representative from the Department of Transport, Eddy Langmair, Manager Tier 3 Vehicle

Inspections and Ian Button, Senior Tier 3 Inspector. The speakers provided the committee with an informative presentation on the challenges faced by the Department of Transport in identifying stolen and rebirthed vehicles.

The September meeting was also the Annual General Meeting where I was reappointed as Chair and John Eglezos was reappointed as Vice Chair.

The Committee continues to tackle a range of ongoing issues affecting independent repairers including access to technical information, hybrid and electric vehicle training and vehicle inspections at change of ownership.

## AUTO REPAIR COMMITTEE CHANGES

Earlier in the year the MTA Board of Management decided to amalgamate the currently inactive Radiator Repairers, Auto Electrical and Engine Reconditioning Division Committees with the Auto Repair Division. These changes allow current Members of these Divisions to attend and contribute to regular Auto Repair Committee meetings and although they have some unique operational challenges, on the most part they share many of the interests and concerns of the Auto Repair Division.

I would like to take this opportunity to formerly welcome Peter Cox to the Auto Repair Division Committee. Peter will play a significant part in future meetings as the MTA State Delegate for the Engine Reconditioning Association of Australia (ERAA). Peter has been representing the interests of the

MTA Engine Reconditioning Division as State Delegate for decades, during which time he was appointed ERAA President four times. Peter was recognised for his significant contribution in 1998 when he was awarded life membership of the ERAA. Peter will continue this industry commitment as a prominent Member of the MTA Auto Repair Committee.

## NATIONAL DIVISION MEETINGS

Our national Auto Repair Division, the Australian Automotive Repairers Association (AARA) met three times during 2012/13, one of which was held at VACC House in Melbourne. I was unavailable for this meeting; however, John Eglezos was able to attend to represent South Australia. Key issues for the AARA mainly mirror that of our State Division's. A key point of difference is the national committees push for automotive trade licensing which is a position both the MTA Automotive Repair Division and Board of Management oppose. Discussion in this area continues.

## CLOSE

I would like to take this opportunity to thank our Division Manager Jason Polgreen, Vice Chair John Eglezos and all of our Committee Members for their continued attendance and input at our regular meetings.

I look forward to the challenges and opportunities the 2013/2014 period will no doubt bring.

Brian Weeks

**Chairman**

# Auto Parts Recycler Division



John Hitchcock

## Chairman and

John Hitchcock

## Vice Chairman

Ron Lewis

## Committee

Anthony Norris

Brad Harmer

Stuart Cawthorne

Darran Van Der Woude

Mark Kraulis

Mick Cavanagh

Hugo Pellegrini

## Board Representative

Ron Lewis

## Division Manager

Peter McMahon

The last twelve months have been very tough in the auto parts recycling industry with changes to the way vehicles are classified, and to the way we sell parts to both the public and also the industry.

It has also seen the area of e-commerce increase substantially. Recyclers now buy most of their stock online and the increase in prominence of eBay and gumtree has also enabled anyone to sell parts into our traditional markets from anywhere in Australia (and from around the world).

These changes also create opportunities for business owners. In the same way anyone can sell into our markets, we now have a far greater reach to promote and sell our products anywhere in the world. To survive going forward the industry must adapt and adapt quickly.

The year has also seen the Second Hand Goods Bill be reintroduced into State Parliament and many thanks

go to MTA CEO John Chapman and Division Manager Peter McMahon who have worked to ensure the best outcome for the industry.

On the national front I had the privilege to attend the Auto Parts Recycler Association of Australia National Conference at Olympic Park in Sydney late in 2012. While I had not been to an event like this before, I came away with great insight into why more recyclers need to get out of their environment and see what everyone else is doing. It also gave me the chance to see great new products and trends from around the world.

Lastly I would like to pass on my thanks to our committee who have our industry at heart and give up their own time to attend meetings and also to Division Manager Peter McMahon for his ongoing support.

John Hitchcock  
Chairman



MTA-SA was represented at the APRAA Conference in October with (L to R) Mark Kraulis, Auto Parts Recycler Division Chair John Hitchcock and Chris Brown.

# Body Repair Division



Jeff Williams

## Chairman and Board Representative

Jeff Williams

## Vice Chairman

Brenton Caddle

## Committee

Olivia Colangelo-Couch

Vince Dilena

Joe Artini

John Jakutavicius

John Zulian

Kym Rundle

Tom Campaniello

Paul Olman

Jason Miller

## Division Manager

Peter McMahon

The Body Repair Sector has once again seen huge changes in the way we do business with insurers and who the insurers want to do business with going forward.

Insurers are finding new ways to gain control over the industry, partnering with repairers and in some instances offering incentives to the industry such as apprentice support schemes, IR services and even diploma of management courses. Some of these initiatives are beneficial for us as businesses.

What is of concern is that the insurers are trying to have a say in the parts supply market. This will have an impact in many ways which the industry needs to understand. For instance, the vehicle dealers will see their sales and gross margins slowly head downwards. Recyclers

will also be impacted as second hand parts won't always be the first option in keeping costs down.

Finally there are the parallel parts which are now being pushed by insurers, which in some cases can be very lucrative to repairers.

We must keep in mind that the impact may not be really seen for a few years, but as you would agree, the parts area of our business is one of the areas of profit, as every other area seems to have been reduced over the years while our costs constantly rise. The parts sector must remain independent and competitive and free from influence.

The industry's national body, the Australian Motor Body Repairers Association (AMBRA), has endorsed a national shop grading program. This has been over eighteen months in development and has been designed by repairers for repairers. It has been released to assist the industry in making the required changes to meet the future changes of the repair industry. The new program has also seen great interest from the insurance industry.

Our focus will now move towards the long awaited move away from "funny time funny money" which has run its race. There has been no new research done on the old system since 1999 and while we have long talked about it, we finally have agreement and endorsement from the insurance industry to move to eMTA and real time.

In transitioning to the new system repairers will need to have done a complete review of their financials and have established their shop rate.

Insurers will be expected to pay a fair and reasonable rate to individual repairers.

As in past years, I must stress the need for the industry to embrace the need to have access to technical information. There is no excuse not to repair vehicles to the manufacturers specification and most insurers are now seeing this the same way as the industry.

Fixing vehicles to price and not a standard is the way to an unsustainable industry and treating each vehicle that comes our way as the last possible car we will ever see is the way business was done 30 years ago and has no place in today's environment.

The future is only going to get tougher and if we do not prepare ourselves appropriately, the investment we have made for many years will just disappear.

Finally our Body Repair Division Manager Peter McMahon has and continues to devote his energy to our industry and I pass my thanks on to him on the industry's behalf. I also extend my thanks to MTA Chief Executive Officer John Chapman who has also been at the forefront of our Division. This industry continues to provide many challenges and support from John and the Board of Management support has been unwavering.

The committee should also be congratulated on another stellar year, without their commitment and selflessly giving up their time for the greater good the industry would be the poorer for it.

Jeff Williams

**Chairman**

# Commercial Vehicle Industry Association (SA)



Terence Critchley

## Chairman

Terence Critchley

## Board Representative

Clive Polley

## Committee

Bill Lane

Bill Morrow

Darryl Smith

Peter Morelli

## Division Manager

Roger Ballantine

## ECONOMIC OUTLOOK

South Australian new commercial vehicle registrations for the year ending 2012 increased by 4.4% and for the first quarter of this year, new registrations for light and heavy commercial vehicles were up by +30.8% overall, when compared to the same period last year.

It appears that our economy could grow with excellent returns from this year's crop harvest and with several big projects underway.

## HEAVY VEHICLE TRAINING

The MTA Training & Employment Centre at Royal Park continues to grow the Heavy Vehicle training facility with the acquisition of a second Prime Mover training aid and a trailer. We can now conduct Diesel Technician training up to Stage III.

The MTA has also added Common Rail Diesel to its up-skilling training schedule for industry professionals to increase their skills in this area.

MTA is also in consultation with the Mining and Civil Construction industries with a view to training people.

## DEFECTING OF HEAVY VEHICLES - ADR 65/00

I would also like to remind Members servicing heavy vehicles that they should have a policy in place that outlines the company procedures on the detection of a non-compliant vehicle, particularly in reference to Australian Design Rule 65/00.

Roadside inspections by SA Police and the Department of Transport, Planning & Infrastructure (DPTI) of the heavy vehicle truck fleet are unlikely to diminish and an investigation into a serious road crash could link the servicing dealership under "Chain of Responsibility" legislation.

## VEHICLE INSPECTIONS – DPTI

As a result of ongoing issues between dealers/repairers presenting heavy vehicles/trailers for registration inspections and the determinations by DPTI inspectors, MTA met with Minister Chloe Fox in December 2012 and it was agreed by the Minister that she would establish a regular forum involving SAPOL and various industry groups who deal with the Vehicle Inspection operations.

At the time of presenting this report however a committee had not been established.

## COMMERCIAL VEHICLE INDUSTRY ASSOCIATION OF AUSTRALIA (CVIAA)

CVIAA Members (state CVIA's) continue to meet twice yearly to discuss issues of national interest.

On the 1st January 2013 the National Heavy Vehicle Regulator Legislation came into effect with the promise of uniformity between all states in the area of legislative compliance. The stated intention of this project is to "harmonise" existing state/territory laws based on model law developed by the National Transport Commission (NTC) over a 20 year period.

Currently the CVIAA is addressing an amendment to Australian Design Rules (ADR) definitions to allow for curtain-side buckles which will allow an extra 25mm on each side of the vehicle and also an alteration to the VSB6 to revise the definition of a heavy vehicle from "greater than 4.5 tonnes" to "4.5 tonnes or greater" so to include the application of Vehicle Standards Bulletin to vehicles with a GVM of 4.5 tonnes.

## SUMMARY

This past year has seen some significant changes within this industry with the retirement of a highly regarded industry personality, Bill Morrow (CMV) and of course with the sale of my business, Transport Connection.

The manufacturing and retailing sector in Australia is operating in a very competitive environment as is evident by the continuing closures or takeover of long established businesses; it is extremely important to ensure that business systems are up to date, future trends are monitored, staff are trained and involved and most importantly the customer is not ignored.

Unfortunately as we are now entering an election period for both Federal and State Parliaments, the focus of our elected representatives will be distracted. However, there can be no better time to lobby for change.

I would like to thank Committee Members for their contributions throughout the year and also MTA Chief Executive Officer, John Chapman and Business Development Manager, Roger Ballantine and MTA staff for their ongoing assistance.

Terence Critchley

**Chairman**

# Farm & Industrial Machinery Dealers Association of SA



Mathew East

## Chairman

Mathew East

## Vice Chairman

Malcolm Eglinton

## Board Representative

Colin Butcher

## Committee

Roger Paech

Norm Hood

Trevor Fairchild

Darren Graetz

Bob Harrison

Chris Gilbert

## Division Manager

Roger Ballantine

The 2012 grain harvest in South Australia saw surprising good results in both yield and quality, especially considering the dry spring suffered across most broad-acre cropping areas. Other agricultural sectors are less positive with dairy, horticulture, grapes and even most forms of livestock farmers suffering from diminishing margins.

Machinery sales for 2012 were consistent with the long term average for the past decade in most sectors. The biggest problem facing most dealerships is the build-up of used inventory which has grown significantly over the past two years. Demand for new units has surpassed the demand

for used units for several years now with larger farmers across the state being more confident and able to upgrade machinery. This trend will need to be monitored by dealers and reacted to if inventory levels do not subside.

From a FIMDA perspective, we have had a quiet year. Colin Butcher stepped down as Chairman after serving in that position for 12 years. I would like to take the opportunity on behalf of the Division and extend our thanks for the time and effort Colin put into arguing the case for South Australian Farm Machinery Dealers over these years. Colin is also the National Chairman of FIMDAA, taking on this role with the formation of the AMIF.

I firmly believe that the role of FIMDA SA and the MTA in general is, in the main, as a political lobby organisation, arguing for its Members' rights with the government of the day at both state and federal level.

We need to use both FIMDA SA and MTA to get our position across to the law makers of the day, prior to unfair laws being drafted and legislated which are against the best interests of farm machinery dealers.

I would like to have our biannual meetings spend more time discussing issues that affect us in running our respective businesses. We can then invite the people who can directly influence these aspects of our business to address the division, listen to our perspective and formulate plans that are inclusive of our needs.



Small Business Commissioner Mike Sinkunas (Far left) at the FIMDA Meeting in April 2012.

For us to be taken credibly as a group and to expect to have the ear of policy makers, it is important we show that we can present as professional group. To do this we need to individually commit to participating in FIMDA. Without this commitment we will not achieve any real change nor will it be able to access the people we need to be talking to.

I look forward to providing a forum where you can express your views without prejudice and where you can listen to other Farm Machinery Dealers with similar problem sets to you; give you the benefit of their particular experiences.

I would like to thank Business Development Manager Roger Ballantine, MTA Chief Executive Officer John Chapman and MTA staff for their support and guidance over the last 12 months.

Mathew East  
**Chairman**



# Licensed Vehicle Dealers Division



Andy Forrest

## Chairman and Board Representative

Andy Forrest

## Committee

Norm Cooper

Jay Richards

David Vincent

Andrew Holdich

Derryn Ising

## Division Manager

Roger Ballantine

Trading conditions for the year ending March 31, 2013, for the majority of independent used car retailers, have been the toughest in living memory with consumer spending down and with miniscule margins should you make a sale.

We continued to see a decline in the numbers of small to medium independent dealer operations largely due to the decline in sales, slimmer margins and the overall costs of being in business today.

Licensed Dealers find themselves in competition with auction houses for around 30% of the total sales of used cars.

The auctioning of State Government owned vehicles is another example of the continuing competition for late model vehicle sales that Dealers face. The growing number of consumers purchasing vehicles this way indicates growing confidence

in the product and a willingness to gamble knowing the security of a manufacturer warranty.

The growth in Internet marketing and the direct sale of used vehicles has changed the face of dealer retailing forever and you can add to this the impact of fixed price auction selling, both at auction houses and over the internet.

What has become obvious with advertising on the Internet, is that unless your vehicle is exceptionally rare or in demand, to receive enquiries you must have a price point which is at the lower end for that vehicle.

We are yet to see what the long term effect will be of flood damaged vehicles from Queensland and New South Wales that will eventually find their way onto the market by "private sale/backyarder" operators.

The other area that Dealers need to be very aware of is the Australian Consumer Laws (ACL) and the potential impact should a consumer have an issue with a vehicle they have purchased regardless of its age or kilometres travelled.

Members still need to be mindful of exercising care when offering employment to a salesperson having regard to the offence of employing a salesperson with a dishonesty conviction in the past ten years.

MTA staff and Committee Members continue to meet with various government departments to discuss industry related matters as well as pressuring for Tax reform on the

perennial issues of:

- Warranty harmonisation - introduction of 10 year - 160,000km in line with the rest of Australia
- Payroll Tax reduction
- Land Tax relief
- Stamp Duty.

We have continued to hold regular meetings with Consumer and Business Services (CBS), Commissioner Paul White, to ensure that they are made aware of any irregular activities and to make sure that compliance efforts are focused in the right areas. I am pleased to report that the Commissioner has shown a genuine interest in understanding the complex nature of our regulated industry and the issues created when other parties are allowed to compete unfairly.

CBS now have Peter Butterfield heading the Investigation and Compliance area covering the motor industry. Mr Butterfield has impressed this committee with his common sense approach and investigative abilities.

Finally, I would like to sincerely thank the Committee, Business Development Manager, Roger Ballantine, and CEO, John Chapman, and MTA staff for their efforts during the year.

Andy Forrest  
**Chairman**

# Motorcycle Industry Association of South Australia



Martin Guppy

## Chairman

George Bolton (Apr – Aug 12)  
Martin Guppy (Aug >)

## Vice Chairman

Martin Guppy (Apr – Aug 12)

## Board Representative

George Bolton (Apr – Aug 12)  
Martin Guppy (Aug >)

## Committee

Mark Flynn  
Doug Pitman  
Richard White  
Nigel Agar  
Peter Forster  
Evan Byles  
John Barnsley  
Alan Ashmoore  
Mick Tucker

## Division Manager

Roger Ballantine

The past year saw a chapter close in South Australian motorcycle dealing history with the retirement of George Bolton in August. George and his family celebrated his many years in the business with a Kawasaki sponsored industry function at the Arkaba Hotel.

## ECONOMY

The national motorcycle, ATV and scooter market year ending December 2012 (115,488 units)

increased by +5.4% over the 2011 result according to FCAI figures.

In SA, new registration figures of 4020 units were an increase of +2.0% when compared to 2011.

Most of the established brands held or increased market share with the exception of Yamaha.

## NATIONAL MOTORCYCLE FORUM - AMIA

I chaired a meeting in Victoria (23/11/12) at VACC House as South Australia currently provides the secretarial function and Chairperson for the Australian Motorcycle Industry Association.

Unfortunately NSW and QLD delegates did not attend this meeting.

Items discussed included: the importance of a national forum, impact of internet selling, Grey imports, National licensing - Rider Training, ACL, Quad bike safety and Franchising Code.

## OFF-ROAD RECREATIONAL RIDING FACILITIES

The MIASA Division, through the MTA, continues to lobby the State Government for support in establishing suitable off-road areas for recreational riding to match other progressive State Governments.

The Victorian State Government has the "Trail Bike Initiative", with \$5 million of funding which has included, as one of its recommendations, the construction of "12 purpose built trail bike areas in state forests".

In April 2012, MTA supported a Forest Trail Ride in the Mount Crawford Forest area. The event was well organised and demonstrated the suitability of our forest areas to trail riding on motorcycles. As a result of this three more events are planned for this year and it is hoped that ultimately the forest areas will be opened up as in other states.

## INTERNET SELLING

One of the biggest threats to traditional retailing in this country is the continuing growth of internet selling. Members would be well aware of the impact this is having on the financial viability of their business with diminishing parts and accessories sales. I think we all will have observed "customers" trying on branded clothing for fit, examining accessories/parts all without a direct sale being made. The Australian Design Rule (ADR's) compliance requirements on new road motorcycles does maintain new sales in Australia however everything else is a target for overseas operations.

It will need to be the focus of every retail operation in Australia to ensure that both of the major political parties in an election year understand and takes corrective measures as a part of policy to ensure a level playing field.

## SAFETY AWARENESS

The MIASA Division endorses any initiatives in relation to an advertising campaign for motorcycle



Participants enjoying the Mt Crawford Forest Trail Bike Ride supported by the MTA.

safety, awareness and improved road traffic systems which meet the needs of motorcycle riders in relation to road design, surfacing, maintenance, landscaping, roadside furniture, shoulder sealing and lighting, as published by the State Government in the Motorcycling Road Safety Strategy 2005 – 2010.

### **MOTORCYCLE LICENSING PROPOSAL**

In September 2012 the state government produced a discussion

paper titled "Motorcycle Licensing - proposals to protect motorcyclists". As at the end of this reporting period, around 400 submissions were received and with a new Minister for Road Safety announced a final report is not expected until the middle of this year.

### **CONCLUSION**

In conclusion I wish to thank the Division Committee, Division Manager, Roger Ballantine and CEO, John Chapman for their efforts during

the past year and let us hope that the market improves substantially in the coming months.

Martin Guppy  
**Chairman**

# Service Station Division



Frank Agostino

## Chairman

Vacant

Theo Kruys  
April 12 – January 13

## Vice Chairman

Frank Agostino

## Committee

Brenton Stein  
Jim McGuire  
Peter Samuels

## Division Manager

Liam Hunt

It was another interesting year for independent service stations with great fluctuations in both the global oil prices and the bowser prices. The pressures of the large chain retailers are making it increasingly difficult for operators with more independent stations closing.

The last 12 months has seen the resignation of the longstanding Divisional Chair and Board Representative, Theo Kruys. Theo's commitment and passion for the industry kept the division moving forward, despite the challenging nature of running an independent service station. His contribution at all levels will be missed.

The MTA's complaint with the Australian Competition and Consumer Commission (ACCC) finally came to a conclusion albeit a very unsatisfactory one. In a letter to

the MTA the ACCC explained that through the investigation; there was not enough evidence to support the case outlined. The MTA has since expressed its frustration at the way the entire complaint was handled. On a positive note there was some media attention regarding a broader investigation from the ACCC regarding the supermarkets "shopper docket" scheme. We will continue to monitor the progress of this investigation.

Plain tobacco product packaging legislation came in to effect in the last 12 months. While there have been some early issues for some retailers, most appear to be adapting to the change.

In the previous reporting period, the Division had written to the State Government regarding potential breaches in the way a retailer was displaying/advertising its tobacco products. This has finally resulted in the retailer making an undertaking to the Government to rectify the issue. This is a great example of how the MTA continues to advocate for an even playing field for its Members.

New price board regulations were introduced in to NSW in September 2012 and there has since been discussion about national standardisation. The MTA, through its national representation Australian Motor Industry Federation, has submitted a response to a national discussion paper outlining our preferred model. This model is for a price board to be non compulsory, but where there is a price board,

it must display the two top selling unleaded fuel prices, the diesel price and the LPG price. Discounted prices are not allowed to be displayed on the price board.

The Division only held one meeting for the calendar year. The focus of this meeting was a presentation from the Environmental Protection Agency on underground and above ground fuel storage tanks, the law and how best to monitor and maintain tanks. This meeting was well attended and provided Members with some useful information.

The MTA also continues to represent the industry with SA Police in a variety of forums, but particularly around Drive-Offs and Console Operator Safety. The MTA attended quarterly meetings with SA Police throughout the year.

I would also like to take this opportunity to thank Chief Executive Officer John Chapman, Division Manager Liam Hunt and the Members of the Division for their continued effort towards making a better industry for independent service station operators.

Frank Agostino

**Vice Chairman**

# Towing Services



## **Chairman and Board Representative**

John Jansse

## **Vice Chairman**

Robin Pitchers

## **Committee**

Ralph Scutella

Brenton Caddle

John Hitchcock

## **Division Manager**

Peter McMahon

The Towing Division has seen a very stable year. The annual tow fee review continues to function well and we have seen an increase in the rates for the last twelve months. At the time of writing, the 2013/2014 review was well underway.

However, I will advise the industry that the current and future economic climate will see the review take into account the impacts of fuel, interest rates and CPI numbers and could see future reviews into tow fees with less positive outcome than in the past.

The committee has also agreed to develop a 'best practice' model for the towing industry with a focus on Work Health Safety and the impacts of the new legislation on Members.

The issue of off street parking will also be a focus. As many would agree the laws restricting the industry from parking in some local council areas were written many years ago when the old 'hook' trucks were the vehicle of the day and noise was a concern to rate payers. The current day vehicles are now flatbed trucks and the noise emitted is less than many standard road going passenger vehicles.

The Committee will endeavour to see some allowance given to the industry for those businesses on call 24 hours a day, as required under the Accident Tow Authority.

I would like to pass on my many thanks to my fellow Committee Members and also to Divisional

Manager Peter McMahon for his assistance over the last twelve months.

John Jansse

**Chairman**

# Tyre Dealers Division



Marcus Baldacchino

## Chairman

Marcus Baldacchino  
(State Representative) ATDRA

## Committee

Jon Coupe  
Graham Stewart  
Tim Knott  
Simon Gliessert  
Arthur Pashalis  
Peter Routley

## Division Manager

Jason Polgreen

## MEETINGS

The MTA Tyre Dealers Division met for the first time in a number of years on Thursday 27<sup>th</sup> February 2013. The meeting was an AGM where I was officially appointed to the role of Tyre Division Chair. I would like to thank the committee for their attendance and hope to see you all, and others who were not able to attend, at the next meeting scheduled for July 2013.

## NATIONAL AFFAIRS

The Australian Tyre Dealers and Rereaders Association did not meet during the 2012/2013 period due to the cancellation of a proposed meeting which was to be held in October at the International Motor Show in Sydney. This has not resulted in us sitting on our hands. There continues to be a large amount of work being done behind

the scenes in relation to the National Tyre Stewardship Scheme (TSS).

The TSS aims to reduce the amount of end of life tyres entering the environment via landfill, illegal dumping or undesirable export (baled tyres). Participants of the scheme will be required to deal only with other Members of the scheme (where possible) and a levy is to be imposed on tyre importers to fund the scheme (proposed to be \$0.25 per passenger car tyre equivalent).

A draft proposal was released late last year with MTA providing a great deal of feedback on the scheme's operational and reporting requirements. I would like to thank those of you who assisted in this process by providing your views on the effective operation of the scheme. The Australian Competition and Consumer Commission recently approved the exclusive dealing operational requirements of the scheme for a period of five years with the final guidelines to be released shortly. Chair of the Tyre Implementation Working Group, Mr Gerry Morvell, personally thanked the MTA Tyre Division for our feedback.

## STATE AFFAIRS

My personal goal last year was achieved, with our first Annual General Meeting in seven years taking place in March 2013. I thank all those who were able to attend and encourage others to come along to our next meeting in July. It was disappointing to see a large number of Members RSVP but not attend on the night. Like me, no doubt,

you are all time poor. However, the time commitment is minimal with a maximum of two meetings per year which are held out of hours.

We need Member input on a range of issues currently affecting our industry sector, not the least of which is the apparent downturn in work coming through the door. It would seem that we are all currently trying to do more to comply with government red and green tape with less productivity in the workshop.

## CLOSE

I would like to take this opportunity to thank our Division Manager Jason Polgreen for all his efforts over the past year. I look forward to working further with Jason throughout the 2013/2014 period as we continue to build the MTA Tyre Division to past attendance and activity levels.

Marcus Baldacchino

**Chairman**

# Vehicle Rental Division



## **Chairman**

Rob Davey

## **Deputy Chair**

David Beard

## **Committee**

Tony Harris  
Paul McGinity

## **Division Manager**

Jason Polgreen

The Vehicle Rental Division met for an AGM on the 14th March 2013 after a lengthy period of inactivity. Having accepted the appointment of Chair at this meeting, I would like to take this opportunity to firstly thank long serving Committee Chair David Beard for his six years of dedicated service.

Over the years, the Vehicle Rental Division has struggled to keep momentum with regard to regular meetings. My intention this year is to bring together a group of operators on a more consistent basis. There are many areas of the Vehicle Rental Industry that could be improved, some by sharing costs but most by sitting face-to-face and discussing issues as a collective group.

The Division's common commitment must be the continual ready supply of vehicles and high levels of customer service, without compromising our high safety and maintenance standards.

As vehicles are improved with features such as ABS, air bags and anti-skid 4 wheel drive systems, we can look forward to a safer experience for our customers and a possible reduction in insurance premiums. As anti-theft GPS systems become more affordable, we may also enjoy less risk and possible reductions in insurance premiums.

Given the huge number of kilometres travelled over relatively short periods, there is an unexplored opportunity to give feedback, both positive and negative, to manufacturers and this is an area we will focus on moving forward.

I look forward to working with Division Manager Jason Polgreen to meet our common goal of increasing membership and gaining greater industry and political awareness of our Division's unique operational challenges.

Rob Davey

**Chairman**

# Zone Report 2012/13

## COVERAGE

A total of 29 MTA Country Zone meetings were held with a total attendance of 493 Members or an average attendance of 17 Members per meeting.

Approximately 80 Members attended the Adelaide President's Forum, held October 24. It was a very successful event with Mark Warren, Chief Executive Officer and Mark Cayzer, Communications Manager of Clipsal 500 providing an enlightening presentation on the race and its future concept.

## PURPOSE

Country Zone meetings are an important function of our overall communication process with Members. It is our opportunity to meet face-to-face, deliver news and catch-up in regional Members own locations minimising the time lost through travel. These meetings also benefit Members by allowing time to network with other businesses in their own community.

During the year Members received up-to-date information on a variety of subjects including Divisional, Industrial Relations, Environmental, Training and MTA Business Planning and Budgeting.

Another core activity at Zone meetings has been our business training workshops which continue to deliver practical information on business management tailored for automotive businesses.

MTA would like to thank the Zone Office Bearers for their contribution in making our meetings a success.

## ZONE OFFICE BEARERS

### ADELAIDE HILLS

#### Chair

Phillip Turner

Mount Barker Truck & Bus Repairs

#### Vice-Chair

Ashley Harris

Charleston Garage & Farm Services

### KANGAROO ISLAND

#### Chair

Phil Neindorf

Nepean Motors

#### Vice-Chair

Jason Milhouse

Turner's Tyre Service

### LOWER EYRE

#### Chair

Robert Duns

Duns Bros

#### Vice-Chair

Wade Grey

Frank Garveys Crash Repairs

### LOWER NORTH

#### Chair

Wayne Marschall

Wayne Marschall Crash Repairs

#### Vice-Chair

Gordon Alderslade

Barossa Valley Toyota

### MID NORTH

#### Chair

Butch Bennett

Butch Bennett Crash Repairs

### MURRAY BRIDGE

#### Chair

Paul Blenkiron

Blenks Automotive & Performance

#### Vice-Chair

Frank Furfari

Frank Furfari Motors

### RIVERLAND

#### Chair

Kym Webber

Waikerie Crash Repairs

#### Vice-Chair

Stuart McKay

McKays Auto Centre

### SOUTH EAST

#### Chair

Peter Roberts

O G Roberts & Co

#### Vice –Chair

Paul Gazzard

Carlian & Gazzard

### SOUTHERN

#### Chair

Anthony Norris

Grand Auto Wreckers

#### Vice –Chair

Steve Brown

Steve's Body Shop

### UPPER NORTH

#### Chair

Neville Gibb

Gibb & Sons Pty Ltd

#### Vice-Chairman

Richard Boston

Boston Ford

### UPPER SPENCER GULF

#### Chair

Darren Willis

D & G Tyre Sales

### YORKE PENINSULA

#### Chair

Tom Rosewarne

Rosewarne's

#### Secretary

Peter Miller

Rosewarne's





# THE MTA GROUP TRAINING SCHEME INC.



2012-  
2013

# Chairman's Report



The last financial year for The MTA Group Training Scheme Inc. has been challenging for the organisation. However, taking a step back and reflecting on it as a whole, it was also a year where there were many milestones and some great achievements. One of the highlights was being awarded as 2012 South Australian Small Training Provider of the year. An accomplishment that I am very proud of and that all MTA staff, apprentices, trainees and host employers should also be proud of.

It was also the year which we had the chance to celebrate our 30<sup>th</sup> year of group training. This is by no means a small achievement. As President of the MTA I have seen many organisations come and go in a much shorter time than 30 years and with the current economic and political climates making it tougher to do business, it's great to be able to celebrate this significant milestone. And celebrate it we did.

In November more than 150 people came together with special guest the Hon. Tom Koutsantonis MP, Minister for Manufacturing Industry and Trade and Minister for Small Business at the MTA Training & Employment Centre to celebrate the milestone.

It was a chance for past and current apprentices, hosts, staff and special guests to reflect on how the organisation has grown during its life. What started as a warehouse in Melrose Park with just 10 motor mechanic apprentices, has grown to a refitted high school with purpose built facilities in our current Royal Park location catering for more than

550 apprentices. Our state-of-the-art Training & Employment Centre, which was expanded in 2009-10, now consists of two light vehicle workshops, one heavy vehicle workshop, vehicle paint workshop, a panel beating workshop fitted with ten welding bays as well as a fabrication shop.

One of the most enjoyable aspects of the night was seeing apprentices from our first intake tour the facility and be almost speechless by how much the Group Training Organisation had grown. This was a great testament to all involved with the MTA Group Training Scheme over the last 30 years.

## INCREASING RETENTION

One of the major issues facing the Group Training Organisation (GTO) is the "stickability" of new apprentices. In addition to our concerns about the level of literacy and numeracy of school leavers joining our employ, in an increasing number of cases there is a lack of commitment to an automotive career. This results in apprentices who are difficult to manage and (usually) end up leaving the trade.

We are stepping up all areas in relation to recruitment but also in early intervention when issues are identified in the first ten week block of training but then also on an ongoing basis with systems being put in place to ensure a closer relationship develops with the apprentice Field Officers.

This change in direction should enable us to identify issues earlier and work on appropriate and specific

strategies tailored to the individual. We will continue to monitor the effectiveness of the new systems and continue to strive for best practice in this area. This should in turn result in a higher completion rate and ongoing retention rate.

We have also begun implementing short workshops on key life skills and industry specific topics. Workshops such as building resumes, financial management and Work Health Safety are all part of the schedule.

## GROUP TRAINING

We continue to see the value of group training grow to the wider business community. As the business climate gets tougher, workshop owners, dealerships and other retail automotive businesses are looking to the flexible employment arrangements offered under group training.

The MTA also sees Group Training Australia as a key organisation for the future. We continue to support the association through John Chapman's representation at a local and national level. Through this we began work on increasing the benefits that Group Training Australia can offer its Members and add value to the entire group training industry.

## MAAP PROGRAMS

During the year the MTA contracted The MTA Group Training Scheme Inc. to deliver two important Federally funded training programs – Apprentice Mentoring and Apprentice Advising programs.

The Mentoring program is aimed at non-group training scheme

apprentice employers and focuses on helping first year apprentices and their employers with a range of issues. The program is designed to help reduce the drop outs in our industry by positively addressing issues early.

The Advisory program, by way of Apprenticeship Advisers, aims to establish a link between schools and employers in relation to apprenticeships and vacancies in the automotive industry.

Apprentice Advisers work with potential apprentices in identifying their interests and skills and where they would be best placed in the industry. They can also link potential apprentices to employers and other support services. Advisers will engage with individuals, schools, VET coordinators and other apprenticeship support agencies through face to face visits, school and career functions as well as by telephone and email.

A number of additional staff have been employed on contract to deliver these programs which are part of a national program under the Australian Motor Industry Federation and supported by our national training body, Auto Skills Australia.

## GOVERNANCE FOR BOARD

The past year was one of numerous changes within the Vocational Education Sector (VET) bringing with them challenges that saw the closure of numerous Registered Training Organisations nationally. More changes are set to come during the next year.

30<sup>th</sup> March 2012 saw South Australia refer its VET, Higher Education and International Education/ Training powers to the National VET Regulator (NVR) Australian Skills Quality Authority (ASQA). Whilst



MTA Trainer Mark Duke using smartboard technology to train students.



MTA Chairman Neville Gibb and the Hon. Tom Koutsantonis MP cutting the birthday cake for the 30 year birthday celebrations November 2012.

the national standards under the national system are much the same as the previous ones the dominant focus of regulation is in the quality of training delivery and assessment and thereby learning outcomes.

At the same time in South Australia a system of multiple funding avenues was rationalised to the *Skills for All* South Australian Government Initiative that brought with it additional and diverse compliance requirements.

As a Board we are undertaking governance training to ensure that

we are across all the new regulatory and governance issues which have been imposed on us. We will continue this into the new financial year.

I would like to conclude by thanking all those involved in our Group Training Organisation and Registered Training Organisation. It has been a tough year for many, but one which I think we have come out of in a far stronger state and now have the ability to continue the exceptional work we do each and every day.

Neville Gibb  
**Chairman**

# Chief Executive Officer's Report



The MTA Group Training Scheme continues to develop and deliver the services needed by the industry and in the past year we were honoured to be recognised as the best in the State winning the SA Government's Small Training Provider of the Year award.

The award recognises the work which has been done by the MTA to develop high quality, industry specific, training at our Royal Park Training and Employment Centre.

It is a great honour to have been selected out of a field of high quality candidates and I would like to acknowledge our training staff for their excellent efforts in helping us to secure this award. I would also like to thank our Communications Manager, Liam Hunt, who spent many hours preparing our detailed submission.

I am pleased to say that we were also shortlisted to the top

three in the National awards but unfortunately were unsuccessful.

The economic climate has proved to be challenging, but we ended the year with the recruitment of 216 apprentices against a budget of 222. Overall numbers stood at 555 which was short of budget by 16.

As a Registered Training Organisation (RTO) we were subject to new national regulatory requirements under the Australia Skills Quality Authority (ASQA) which came into force in 2012.

The ASQA administered regulations resulted in us undertaking a comprehensive review of our compliance with the new standards.

As a result all training materials, administrative, assessment and the moderation processes have been reviewed and, in some cases rewritten to meet the new regulations. This process was a major, but necessary, exercise to

ensure that we could meet (and hopefully exceed) the required compliance standards necessary to ensure continuing registration of our training arm.

During the year we restructured the operation to provide a clear delineation between the Registered Training Organisation (RTO) and the Group Training Organisation (GTO). This resulted in some staffing and role changes which included making the position of General Manager Training and Employment redundant. This position was held by Paul Good who had been with the organisation for 18 years.

I would like to acknowledge Paul's commitment to the MTA and his role in developing the MTA Group Training Scheme Inc. to its current level.

We have engaged a specialist firm to provide a full time coverage for compliance and grants monitoring. The MTA Group Training Scheme Inc. Board is provided with regular information and training on key governance issues in addition to regular business monitoring requirements.

Our business processes in the RTO have been restructured to ensure we have ongoing feedback on apprentice progress as well as industry input into the current training packages.

During the year, I was alerted to a potential breach of compliance involving one of our training staff. A subsequent investigation involving our legal advisers Minter Ellison and detailed interviews of several students resulted in the termination of the staff member concerned. The breach also required me to report



MTA staff and Board Members celebrating being announced as the 2012 South Australian Small Training Provider of the Year at the State Training Awards in September 2012

to the state and national regulators which was duly done.

ASQA has responded positively on the MTA's actions and recognised our proactive approach and transparency in self reporting.

Early in 2013, we installed cameras with sound monitoring in all classrooms and workshops as part of our continuous improvement process.

The MTA-GTS website was also upgraded to meet compliance requirements and merged into the MTA website while all marketing material was reviewed and standardised.

Signage at Royal Park was also revamped to improve accessibility for visitors while replacement poles and printed screen signs promoting apprenticeships were installed on Frederick Road – a high volume traffic location.

In addition, we are in the final stages of gaining approval for a large sign which will incorporate a sizeable video screen to front Frederick Road.

The screen will be used to advertise apprentice vacancies, training courses and the MTA's print and stationery operations.

Financially 2012/13 proved challenging with the MTA-GTS reporting a deficit of (\$176,667)

This can be directly attributed to three main areas:

- Increased costs due to compliance review and investigations
- Loss of subsidies for training hours as the State Government reduced the number of units it would pay subsidy for to the bare minimum required under the training package



The Premier, Hon Jay Weatherill MP, stopped by a first year Motor Mechanic theory lesson on his tour of our Training & Employment Centre in July 2012.

- Cuts in the rate per hour Government pays for training under *Skills for All*.

The cuts in Government funding were and remain of concern. The introduction of the new *Skills for All* program has produced an uptake in training for areas which are hard to justify as essential to South Australia's economic growth (eg Personal Fitness trainers and Nail Technicians among the most obvious).

This has placed considerable pressure on the funding pool and earlier this year the Government proposed elimination of funding for Certificate IV in Occupational Health and Safety – a course which the MTA commenced delivering in 2012.

After vigorous protests to the former Minister for Employment, Higher Education and Skills Hon.

Tom Kenyon MP and his successor Hon. Grace Portolesi MP, the State Government reconsidered its position and provided funding at a level which will still enable us to deliver this important training program with a student co-contribution.

I would like to thank not only the respective Ministers Kenyon and Portolesi for their support of the The MTA Group Training Scheme Inc. and Group Training in general but also the Department of Further Education, Employment, Science and Technology (DFEEST) Chief Executive Officer Raymond Garrand and his directors Phil Tyler and Isabel Maurer and their staff for the positive and proactive nature in which they work with us.

DFEEST has further supported our training operations recently with a Skills in the Workplace grant which

## Chief Executive Officer's Report Continued

enables us to deliver the following training at heavily subsidised rates to industry:

- Remove & replace supplementary restraint systems (SRS)
- Service & repair electronically controlled anti-lock braking systems/ Depower battery electric vehicles/ Deactivate and reinitialise power supply in hybrid electric vehicles
- Service diesel fuel injection systems
- Service air conditioning systems/ Repair/retrofit air conditioning systems
- Install LPG fuel systems
- Service LPG fuel systems/Repair LPG fuel systems
- Carry out wheel alignment operations
- Carry out gas metal arc (MIG) welding procedures/Carry out oxy acetylene welding and heating procedures
- Operate a forklift

This funding represents the State Government's commitment to upskilling the South Australian workforce to meet the future economic needs.

One of the courses being delivered under the program is forklift training which was developed in 2012. This training is a direct result of industry requests to ensure that employers and their staff can meet regulatory requirements.

Short course hybrid/electric vehicle training to assist auto parts recyclers and collision repairers working

on these vehicles has also been developed.

Hybrid Electric Vehicles (HEV) and Battery Electric Vehicles (BEV) are becoming increasingly popular and the MTA Training & Employment Centre conducted the first of its five day HEV/BEV Hybrid/Electric vehicle courses in July 2012.

The course was developed by our trainer Steve Richardson at the MTA Training & Employment Centre. Steve has previously attended courses in the USA and Melbourne to gain as much knowledge and resources as possible, which allowed him to develop the course.

The units covered during the course included, understanding the principles of Hybrid Electric Vehicle technology, principles such as, testing high voltage batteries in HEVs, service and maintenance of electrical components in HEVs and the deactivation and reinitialising of power supply in HEVs. These units of competencies delivered are nationally approved in the Automotive Training Package.

At a community level, at the end of the financial year we were on the verge of handing over a Mercedes van which has been restored by MTA staff and apprentices to RufUs, which is a community group supporting many underprivileged and financially challenged people.

We are also in the final stages of showcasing the skills of our training staff and apprentices with the restoration of an EK Holden for Holden Chairman and Managing Director Mike Devereux. This project will be completed by June.



MTA trainer Michael Black with the MTA's new forklift to deliver Forklift Licence training in December 2012.



MTA Trainer Steve Richardson getting on the tools with the first Hybrid/Battery Electric Vehicle Upskilling Course in June 2012.

Holden has been a long time supporter of the MTA Training and Employment Centre and we are proud of the strong relationship with South Australia's only motor car manufacturer.

Thank you to The MTA Group Training Scheme Inc. Board under the Chairmanship of Neville Gibb for the commitment to delivering the best automotive training in the State.

A big thank you to all the MTA Training and Employment Centre and Greenhill Rd staff who have worked towards ensuring all compliance and regulatory obligations are met as part of being a high quality training provider.

John Chapman

**Chief Executive Officer**

# The MTA Group Training Scheme Inc. Registered Training Organisation (RTO)

The MTA Group Training Scheme Inc. RTO has had a challenging year in 2012/2013. This is due to the employment trends of the industry being unpredictable in the last 12 months. It delivered 147,553 training hours in the four main qualifications and up skilling courses.

The MTA received its *Skills for All* training provider approval in May 2012 and in September 2012 was named as the South Australian Small Training Provider of the Year at the State Training Awards. We were also shortlisted as a finalist to compete at the 2012 Australian Training Awards in the Small Training Provider of the Year category. We were ultimately unsuccessful, but it is an excellent achievement to be recognised as one of the top three Small Training Providers in Australia for 2012.

The MTA Motorsport Repair Team supported the 2013 Adelaide Clipsal 500 motorsport event with a team of selected Apprentices and Trainers along with our promotional drawcard, the Project Monaro. MTA is also proud that one of our light vehicle apprentices Joshua Rust, who has participated in assisting the V8 Supercar Teams at Clipsal, was offered a fulltime position with Drumbrell Motorsport Racing Team. Congratulations to Joshua on a great career move.

The MTA continues to invest in the Training & Employment Centre's facilities and resources in order to keep up with rapid changes in vehicle technology. It has developed a number of new courses over the last 12 months to continue our

upskilling program to train current technicians in the industry. These courses include; a five day Hybrid Electric Vehicle/Battery Electric Vehicle Course, a two day Common Rail Diesel course, a single day Hybrid Electric course and a two day Forklift course delivered by a trainer who is accredited by Safework SA.

The MTA is continuing to improve our resources in Heavy Vehicle training (which was introduced in 2011/2012) and will continue to invest in this area to continue to meet the future demands in this industry sector.

In December 2012, due to the introduction of the new AUR12 training package, the MTA Training & Employment Centre commenced the task of reviewing, updating and reformatting all training materials. This has been a significant project which has seen some really positive outcomes and improved the quality of our training materials. This project is ongoing as The MTA ensure we align ourselves with the changes applied to existing units and develop training material and resources for the new units added to this new training package.

The MTA Training & Employment Centre continues to support and build partnerships with vehicle manufacturers. Currently KIA and I CAR use the Training & Employment Centres facilities to deliver training and Nissan Australia will be



Participants of the MTA Motorsports Repair Team at Clipsal 500 March 2013.



Kia Motor's staff being trained at our Training & Employment Centre October 2012.



conducting training at the Centre later in the year. These partnerships are important to the organisation giving us access to latest technology that is being introduced in the vehicles of today.

# The MTA Group Training Scheme Inc. Group Training Organisation (GTO)

The GTO can feel proud of its achievements for the 2012-13 period. In another difficult trading year for all industry sectors GTO has posted some remarkable results in the recruitment, training and placement of automotive apprentices. During the year, 216 apprentices and trainees were recruited against a budget of 222. Each apprentice is hand picked; going through a rigorous recruitment process before undertaking their initial employment training. In total, 112 light vehicle mechanics, 52 diesel mechanics, 15 panel beaters, 12 vehicle painters, 9 school-based apprentices, two trainees and 16 other trades were employed.

The number of apprentices not completing their indenture was 88 which was 10 more than budget, however five better than the previous year. This is a good result when comparing the total employed in 2011/12 was 532 as to 555 employed in 2012/13. Many of the cancellations were first year apprentices who realised that the trade was not what they wanted to do.

98 apprentices completed their apprenticeship during this period. Of note is that the Field Officers made a total of 2,628 apprentice/host pastoral care visits and made

EMPLOYED	ACTUAL 2010/11	ACTUAL 2011/12	BUDGET 2012/13	ACTUAL 2012/13
April	504	528	523	542
May	487	527	531	550
June	519	544	531	565
July	522	541	542	569
August	513	521	524	551
September	501	516	515	540
October	493	516	498	535
November	524	539	530	558
December	507	522	510	542
January	529	540	543	568
February	537	534	549	573
March	519	532	555	571
Year ending 31 March	519	532	555	571

over 3,500 cold calls in their quest to place apprentices. This resulted in 190 apprentices being returned to work after a suspension period and the placement of 183 new apprentices. Field Officers brought 82 new host employers on board making up part of the 248 total host employers.

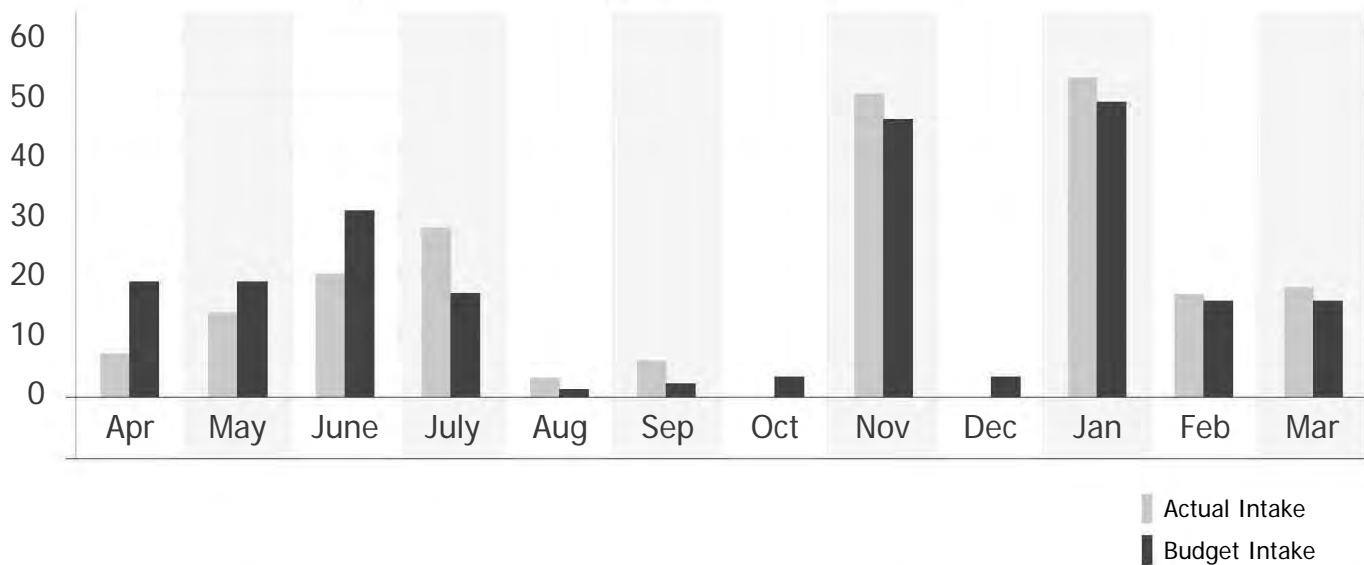
As part of our continuous improvement strategy Field Officers continue to update their skills and knowledge. In particular with compliance matters through Field Officer training or conferences,

and undertaking Certificate IV in Occupational Health and Safety. The role they play is vital in maintaining good relations with hosts and apprentices and representing the Motor Trade Association.

A mixture of marketing activities were employed during the year to attract apprentices and hosts. These involved radio campaigns, direct mail marketing, and attending more than 50 school and career expos throughout the state. In May we conducted our own career expo at the Training & Employment Centre which attracted students from across



## Total MTA Apprentice 2012-2013 Intake



## MTA Apprentices 2012-2013 by Trades

Mar-13			MONTH								Variation from budget
Actual			1st Year	2nd Year	3rd Year	4th Year	Mar-13		Mar-13		
Total	%						Actual	%	Budget	%	
279	52	Motor Mechanic	106	74	54	60	294	53	280	52	14
134	25	Diesel Mechanics	58	43	35	10	146	26	144	27	2
0	0	Trailer Mechanics	0	0	0	0	0	0	0	0	0
35	7	Panel Beaters	12	7	8	12	39	7	42	8	-3
33	6	Vehicle Painters	13	4	8	3	28	5	27	5	1
37	7	Other	14	6	12	3	35	6	32	6	3
13	2	SBA's	13	0	0	0	13	2	18	3	-5
531	100		216	134	117	88	555	100	543	100	12
1	0	Trainees	0				0	0	0	0	0
532	100	Total	216	134	117	88	555	100	543	100	12
37	7	Less Suspended	30	13	4	2	49	9	27	5	22
7	1	Less Not Hosted	1	0	1	0	2	0	16	3	-14
488	92	Total Working	185	121	112	86	504	91	500	92	4
		%	33	22	20	15	91				

# Work Health Safety

The MTA Work Health Safety Coordinator under direction of the MTA OHS&W Committee developed a business plan incorporating strategies, KPI's and targets for the 2012/13 period. The plan consists of 16 strategies that target issues highlighted from the previous year's injury data and input from staff.

Some of the strategies implemented for the 2012/13 period include:

- Use of Laserfische for storage of host risk assessments

- Introducing knee pads for all panel beating apprentices
- Setting up of a hoist safety program for host employers, signs were developed and distributed to all host employers for use
- Lung function tests now being conducted on panel beating and body building apprentices.

A target was set by the OHS&W Committee to reduce the overall number of injuries by 10 per cent.

This target was met as there was a 24 per cent decrease in injuries over the 2012/13 year with a total of 63 injuries compared to the 83 injuries for the 11/12 year. This is an excellent result given the increase in apprentice numbers from 532 in the 11/12 year to 555 in the 12/13 year. The months of April and May (2012) proved to be where the highest injuries occurred with the lowest number of injuries for the year occurring during October (2012).

## OVERALL INJURIES 2012/13

MONTH	07/08	YTD 07/08	08/09	YTD 08/09	09/10	YTD 09/10	10/11	YTD 10/11	11/12	YTD 11/12	12/13	YTD 12/13	TARGET
April	11	11	9	9	5	5	8	8	6	6	9	9	Less Overall Injuries in 2012/2013 by 10% Current YTD = 63 Target = 75 2011/2012 Total = 83
May	7	18	8	17	7	12	5	13	8	14	9	18	
June	3	21	6	23	4	16	11	24	7	21	5	23	
July	11	32	15	38	12	28	6	30	5	26	6	29	
August	9	41	4	42	8	36	5	35	9	35	6	35	
September	5	46	7	49	11	47	5	40	12	47	6	41	
October	10	56	9	58	6	53	8	48	7	54	2	43	
November	7	63	8	66	9	62	5	53	3	57	4	47	
December	8	71	9	75	4	66	7	60	4	61	3	50	
January	8	79	10	85	5	71	3	63	5	66	4	54	
February	6	85	6	91	8	79	8	71	9	75	4	58	
March	7	92	4	95	8	87	12	83	8	83	5	63	
<b>Total =</b>	<b>92</b>		<b>95</b>		<b>87</b>		<b>83</b>		<b>83</b>		<b>63</b>		
<b>Number of App/Trn Per Year</b>	<b>507</b>		<b>488</b>		<b>507</b>		<b>519</b>		<b>532</b>		<b>555</b>		

A target was set by the OHS&W Committee to reduce manual handling injuries by 10 per cent for the reporting period.

For the period of April 2012 to March 2013, five injuries were recorded. This was a significant decrease from the previous reporting where 14 injuries were reported. This is an excellent result. This decrease is also a result of splitting the manual handling and awkward positioning injuries for this period. For the 2012/13 year we had

a recorded four awkward positioning injuries with a set target of five.

A new manual handling induction training session has been implemented in the 2012/13 year using our rehabilitation and return to work provider Costa Pericles. Andrea Costa has had a great deal of experience in the manual handling training field and has been working with us to finalise a manual handling induction program that is trade specific.

### MANUAL HANDLING INJURIES 2012/13

MONTH	07/ 08	YTD 07/ 08	08/ 09	YTD 08/ 09	09/ 10	YTD 09/ 10	10/ 11	YTD 10/ 11	11/ 12	YTD 11/ 12	12/ 13	YTD 12/ 13	TARGET
April	2	2	3	3	2	2	1	3	1	1	1	9	Less Overall Injuries in 2012/ 2013 by 10% Current YTD = 5  Target=13  2011/ 2012 Total = 14
May	2	4	1	4	5	7	1	4	1	2	0	18	
June	1	5	2	6	0	7	0	5	0	2	1	23	
July	2	7	1	7	3	10	0	5	0	2	0	29	
August	3	10	0	7	2	12	4	6	4	6	1	35	
September	2	12	1	8	0	12	1	7	1	7	0	41	
October	1	13	2	10	2	14	1	10	1	8	0	43	
November	1	14	3	13	1	15	2	10	2	10	0	47	
December	4	18	0	13	2	17	1	11	1	11	1	50	
January	0	18	1	14	2	18	1	11	1	12	0	54	
February	0	18	3	17	0	18	0	11	0	12	1	58	
March	1	19	2	19	4	22	2	14	2	14	0	63	
<b>Total =</b>	<b>19</b>		<b>19</b>		<b>22</b>		<b>14</b>		<b>14</b>		<b>5</b>		
<b>Number of App/Trn Per Year</b>	<b>507</b>		<b>488</b>		<b>507</b>		<b>519</b>		<b>532</b>		<b>555</b>		

### AWKWARD POSITIONING INJURIES 2012/13

MONTH	12/ 13	YTD 12/ 13	TARGET
April	0	0	Less Overall Injuries in 2012/2013 by 10% Current YTD = 3 Target=5
May	0	0	
June	0	0	
July	1	1	
August	1	2	
September	0	2	
October	0	2	
November	1	3	
December	0	3	
January	0	3	
February	1	4	
March	0	4	
<b>Total =</b>	<b>4</b>		
<b>Number of App/Trn Per Year</b>	<b>555</b>		

## Work Health Safety Continued

A target was set by the OHS&W Committee to reduce laceration injuries by 10 per cent for the reporting period.

This target was met as there was a 19 per cent decrease in laceration injuries for the 2012/2013 period with four less reported injuries than the previous reporting period. This is an excellent decrease considering the extra number of apprentices employed in the 2012/2013 period. This decrease

shows that the implementation of gloves and extensive WHS Training to all of our apprentices appears to have helped with this reduction.

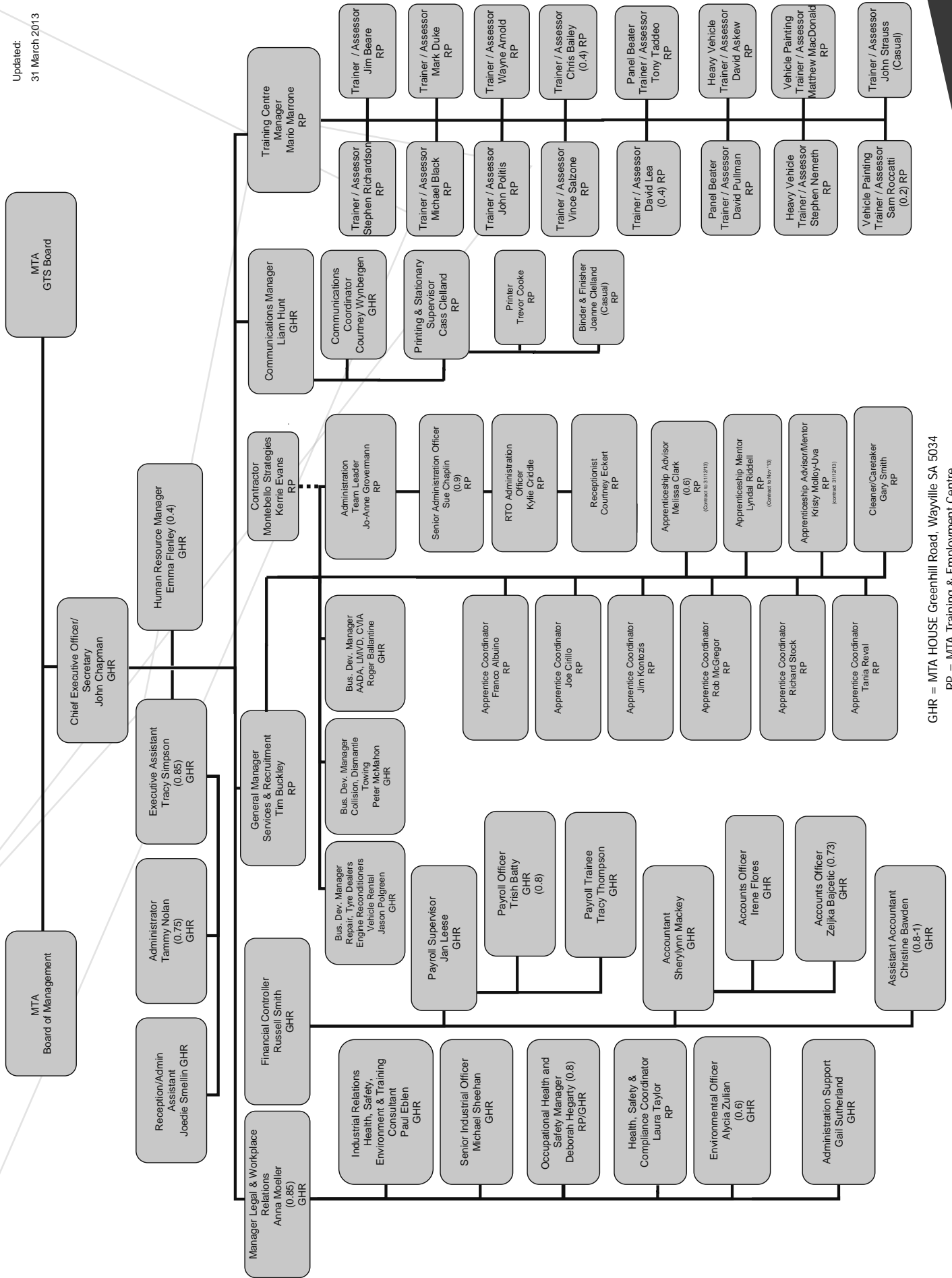
As of April 2013, the OHS&W Committee will now be called the MTA & MTA-GTS WHS Group. The title has been changed to reflect the new WHS legislation that came into effect in January 2013. This group will work towards lowering injury rates and ensuring a safe working environment for all workers.

### LACERATION INJURIES 2012/2013

MONTH	07/ 08	YTD 07/ 08	08/ 09	YTD 08/ 09	09/ 10	YTD 09/ 10	10/ 11	YTD 10/ 11	11/ 12	YTD 11/ 12	12/ 13	YTD 12/ 13	TARGET
April	4	4	1	1	1	1	3	3	1	1	3	3	Less Overall Injuries in 2012 2013 by 10% Current YTD = 17 Target = 21 2011/ 2012 Total = 21
May	2	6	4	5	2	3	1	4	3	4	2	5	
June	0	6	1	6	2	5	2	6	2	6	1	6	
July	4	10	6	12	6	11	2	8	0	6	1	7	
August	3	13	1	13	3	14	3	11	2	8	3	10	
September	3	16	2	15	1	15	2	13	1	9	3	13	
October	1	17	1	16	1	16	2	15	3	12	0	13	
November	4	21	2	18	2	18	4	19	1	13	1	14	
December	1	22	5	23	0	18	2	21	0	13	1	15	
January	1	23	4	27	0	18	1	22	2	15	0	15	
February	3	26	1	28	2	20	3	25	2	17	2	17	
March	6	32	0	28	2	22	3	28	4	21	0	17	
<b>Total =</b>	<b>32</b>		<b>28</b>		<b>22</b>		<b>28</b>		<b>21</b>		<b>17</b>		
<b>Number of App/Trn Per Year</b>	<b>507</b>		<b>488</b>		<b>507</b>		<b>519</b>		<b>532</b>		<b>555</b>		

# Organisational Chart

Updated:  
31 March 2013



GHR = MTA HOUSE Greenhill Road, Wayville SA 5034  
 RP = MTA Training & Employment Centre  
 3 Frederick Rd, Royal Park SA 5014



Motor Trade Association of South Australia Incorporated  
**MTA HOUSE**

Level 1, 81 Greenhill Road  
Wayville SA 5034

Telephone (08) 8291 2000

Facsimile (08) 8291 2099

Web [www.mta-sa.asn.au](http://www.mta-sa.asn.au)

Email [mta@mta-sa.asn.au](mailto:mta@mta-sa.asn.au)

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
The MTA Group Training Scheme Incorporated  
MTA Training & Employment Centre  
3 Frederick Road  
Royal Park SA 5014

Telephone (08) 8241 0522

Facsimile (08) 8241 0388

Web [www.mta-sa.asn.au/apprenticeships](http://www.mta-sa.asn.au/apprenticeships)

Connect Online

-  [facebook.com/MTAApprenticeships](https://facebook.com/MTAApprenticeships)
-  [facebook.com/MotorTradeAssociationSA](https://facebook.com/MotorTradeAssociationSA)
-  [twitter.com/MTAofSA](https://twitter.com/MTAofSA)
-  [youtube.com/MotorTradeAssnSA](https://youtube.com/MotorTradeAssnSA)



# AGM MINUTES

**MINUTES OF THE 87<sup>th</sup> ANNUAL GENERAL MEETING OF THE  
MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC.  
HELD AT HELD AT THE ADELAIDE ENTERTAINMENT CENTRE, PORT ROAD, ADELAIDE  
ON 16<sup>th</sup> JULY 2013 AT 7.30PM**

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## **ATTENDANCE**

83 members, associates, business partners of the MTA and guests attended the Annual General Meeting, 25 were members, 3 were Life Members of the Association and 15 proxies were noted.

### **1. NOTICE OF MEETING AND RECORDING OF APOLOGIES**

The CEO, Mr John Chapman welcomed members and guests to the 87<sup>th</sup> Annual General Meeting of the Association and declared the meeting open at 7.35pm.

He extended a special welcome to Life Members and representatives from SGIC Business Insurance. A special thank you was extended to MTA staff from both Greenhill Road and the Group Training Scheme for their assistance in setting up this AGM. He also welcomed Richard Dudley, CEO of AMIF to the meeting.

Mr Chapman then introduced the President, Mr Neville Gibb. The President said there were 106 apologies in total received; 51 of these were members, 15 proxies were recorded.

### **2. TO ADOPT THE MINUTES OF THE 86<sup>th</sup> AGM HELD 18<sup>th</sup> JULY 2012**

The President called for the minutes of the 86<sup>th</sup> Annual General Meeting held on 18<sup>th</sup> July 2012 be adopted.

Moved Neville Gibb (Gibb and Sons Pty Ltd), Seconded John Jansse (Active Auto Action)

**THAT THE MINUTES OF THE 86<sup>th</sup> ANNUAL GENERAL MEETING BE ADOPTED**

**CARRIED UNANIMOUSLY**

### **3. TO ADOPT THE MINUTES OF THE EXTRAORDINARY MEETING HELD ON 21<sup>ST</sup> MAY 2013.**

The President then asked that the minutes of the Extraordinary Meeting held on 21<sup>st</sup> May 2013 be adopted.

The President called for a member to move the following motion:

**That the minutes of the Extraordinary Meeting held on 21<sup>ST</sup> May 2013 be adopted.**

Moved Colin Butcher (Eastern Eyre Machinery), Seconded Ron Lewis (Glynde Auto Spares)

**THAT THE MINUTES OF THE EXTRAORDINARY MEETING BE ADOPTED**

**CARRIED UNANIMOUSLY**

**4. TO RECEIVE THE FINANCIAL STATEMENT OF THE YEAR ENDED 31st MARCH 2013**

Mr Smith, Financial Controller went over the Financial report and referred to the consolidation of MTA and MTA GTS. He was pleased to report that the Association continued to operate profitably.

At the conclusion of the report, the President called for the financial report for the year ended 31<sup>st</sup> March 2013 be received

Moved Neville Gibb (Gibb and Sons Pty Ltd), Seconded Tracy Butler (Butlers Mechanical)  
**THAT THE FINANCIAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2013 BE RECEIVED  
CARRIED UNANIMOUSLY**

**5. BOARD OF MANAGEMENT REPORT**

The President delivered the 2012/13 Annual Report and then moved that the report of the Board of Management for the 2012/13 Year be received.

Moved Neville Gibb (Gibb and Sons Pty Ltd), Seconded Brian Weeks (Western Auto Repairs)  
**THAT THE REPORT OF THE BOARD OF MANAGEMENT FOR THE 2012/13 YEAR BE RECEIVED  
CARRIED UNANIMOUSLY**

**6. TO APPOINT AN AUDITOR OR AUDITORS, AND TO FIX HIS/HER REMUNERATION**

The President gave thanks to the KPMG Audit Partner, Darren Ball, for their work during the year and sought a mover to the following motion:

**That KPMG be Appointed as Auditors and their Remuneration to be Determined by the Board of Management**

Moved Tracy Butler (Butlers Mechanical), Seconded Jeff Williams (Specific Prestige)  
**THAT KPMG BE APPOINTED AS AUDITORS AND THEIR REMUNERATION TO BE DETERMINED  
BY THE BOARD OF MANAGEMENT  
CARRIED UNANIMOUSLY**

**7. TO DECLARE THE RESULTS OF THE ELECTION OF OFFICERS**

The Chief Executive Officer thanked all the Board members for their commitment over the previous year and read out the results of the election provided by the Australian Electoral Commission. List attached.

**8. THE CONSIDERATION OF ANY CANDIDATE FOR LIFE MEMBERSHIP RECOMMENDED BY THE BOARD.**

The President addressed the members and reported that he had great pleasure in putting forward one nomination for Life membership of the MTA which had been unanimously endorsed by the Executive Committee and the full Board of Management of the MTA.



The nomination was George Bolton and he gave the following reasons as to why the Board of Management unanimously endorsed this nomination;

George Bolton and the Bolton name has gone hand-in-hand with the Motor Trade Association and its former bodies and have been an integral part of the Motorcycle industry in South Australia. George's father's name can be read throughout the very earliest of Meeting minutes.

George started in the family business in 1973 at the age of 17 and just four years later took over the running of business after the passing of his father. George has been a great contributor to the MTA over the last four decades. He was Chairman of the Motorcycle Industry Association and a Member of the Board of Management from 1990 until 2012 when his business merged with Bills Motorcycles. He also represented the MTA members nationally through the Australian Motor Cycle Industry Association and was chairman for the last two years prior to the business merger.

The President moved that George Bolton be awarded life membership of the Motor Trade Association of South Australia.

Moved Neville Gibb (Gibb and Sons Pty Ltd), Seconded Roger Paech (Paech Motors)

**THAT GEORGE BOLTON BE AWARDED LIFE MEMBERSHIP OF THE MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA.**

**CARRIED UNANIMOUSLY**

At this point, the President on behalf of the MTA Board of Management presented Mr Peter Hood with a MTA Merit Award.

Peter has been a valued member of MTA and its former entity the South Australian Automobile Chamber of Commerce since 1978.

**9. TO CONSIDER ANY BUSINESS SUBMITTED BY THE BOARD**

The President advised that there was no other business submitted by the Board.

**10. THE CONSIDERATION OF ANY BUSINESS NOTICE OF WHICH HAS BEEN GIVEN IN ACCORDANCE WITH RULES 32 AND 34.**

The President advised that there was no business submitted for consideration in accordance with Rules 32 and 34.

**11. SPONSOR THANKS**

The CEO then thanks State Manager of SGIC Business Insurance, Peter Webber and his company for the generous support of the AGM and to MTA Members.

**12 GUEST SPEAKER - MR RICHARD DUDLEY, CEO AUSTRALIAN MOTOR INDUSTRY FEDERATION**

Guest speaker, Richard Dudley, CEO of the Australian Motor Industry Federation gave a presentation on the challenges ahead faced by the Motor Industry.

**13. CLOSURE**

Mr Chapman then closed the formal part of the evening at 8.50pm.

Confirmed this day of ..... 2014.

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President

**The Motor Trade Association of South Australia Inc  
Board of Management 2013**

**DECLARATION OF RESULTS FOR UNCONTESTED OFFICES**

Results of the election for the following offices conducted in accordance with the provisions of the Workplace Relations Act 1996 and the rules of the organisation.

E2013/E117

**Motor Trade Association of SA**

**President**

***Candidate***

GIBB, Neville

**Vice-President**

***Candidate***

ZULIAN, John

**Board of Management Representative from Australian Automobile  
Dealers Association (SA)**

***Candidate***

PUVI, Hillar

**Board of Management Representative from Collision Repair Specialists**

***Candidate***

WILLIAMS, Jeff

**Board of Management Representative from Licensed Vehicle Dealers**

***Candidate***

FORREST, Andrew

**Board of Management Representative from Towing Services**

***Candidate***

JANSSE, John

**Central**

**Board of Management Representative**

No nomination was received

**Lower Eyre Peninsula**

**Board of Management Representative**

***Candidate***

DUNS, Robert

**Mid North**

**Board of Management Representative**

No nomination was received

**South Eastern**

**Board of Management Representative**

***Candidate***

ROBERTS, Peter

**Riverland**

**Board of Management Representative**

***Candidate***

WEBBER, Kym Andrew



# MINUTES

**MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE  
MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INCORPORATED (ASSOCIATION)  
HELD AT THE MTA TRAINING ROOM, LEVEL 1, 81 GREENHILL ROAD, WAYVILLE  
ON TUESDAY 21<sup>ST</sup> MAY**

**BOARD OF MANAGEMENT ATTENDANCE**

Neville Gibb .....	President
Frank Agostino .....	Past President
John Zulian .....	Vice President
George Papillo .....	Members Representative
Danny Shane .....	Board Representative
Clive Polley .....	Board Representative
Peter Roberts .....	Board Representative
Ron Lewis .....	Auto Dismantlers
Brian Weeks .....	Auto Repair & Engineering
Jeff Williams .....	Body Repair Specialist
Colin Butcher .....	FIMDA SA
Martin Guppy .....	MIASA
John Jansse .....	Towing Services
Roger Peach .....	Central Zone
Dale John .....	Lower North Zone
John Rowley .....	Riverland Zone
Tracy Butler .....	Upper Spencer Gulf

**LIFE MEMBER ATTENDANCE**

Colin Heavyside  
Mike Claridge

**OPENING & RECORDING OF APOLOGIES**

The President declared the meeting open at 1.10pm. Apologies were received from the following;

**Member**

Andy Forrest, Lexus of Adelaide  
Robert Duns, Duns Trucks  
Barry Hughes, Toyota Material Handling  
David Vincent, Adelaide Vehicle Centre  
Jay Richards, Richard Utes  
Norman Cooper, Motor Search  
Andrew Holdich, Adelaide Automotive  
Peter Page, Peter Page Holden  
Drew Slaughter, Millicent Crash Repairs  
Layton McKechnie, L&M Paint and Panel  
Rob Ephgrate, Adelaide Hills Panelworks  
John Greco, Central Hills B&P

**Proxy**

Neville Gibb (President)  
Clive Polley (Board member)  
Neville Gibb (President)  
Neville Gibb (President)  
Neville Gibb (President)  
Neville Gibb (President)  
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Neville Gibb (President)  
Neville Gibb (President)  
Neville Gibb (President)

David Reilly, Daves Paint n Panel	Neville Gibb (President)
Greg Lutz, Lutze Rello Pty Ltd	Neville Gibb (President)
Graham Stewart, Bob Jane Modbury	Neville Gibb (President)
Peter Stewart, Rowell & Searle Auto Trans.	Neville Gibb (President)
Daryl Siggs, The Car Nut	Neville Gibb (President)
Joe Artini, Artini Crash Repairs	Neville Gibb (President)

**Staff & Guests:**

John Chapman .....	Chief Executive Officer
Tracy Simpson .....	Executive Assistant (Minutes Secretary)
Jennifer Tobin .....	Partner, Minter Ellison Lawyers
Chanel Brown .....	Associate, Minter Ellison Lawyers

The President informed the Members that the Extraordinary General Meeting had been called to confirm a decision by the Association's Board of Management on Wednesday 3 April 2013 to put a series of proposed alterations to the Association's Rules to the Association's members.

The CEO advised the members that in accordance with the MTA constitution rule No 31, a notice of the meeting was sent to all members on 26 April 2013. He referred to the Notice of Meeting and the Explanatory Memorandum relating to the proposed changes. The members were also provided copies of the MTA Rules with the proposed changes included. (*Resolution 1 – Attachment 2*) and (*Resolution 2 – Attachment 3*).

Moved John Zulian, Keswick Crash Repairs, Seconded Neville Gibb, Gibb & Sons Pty Ltd  
**MOVE THAT THE FOLLOWING MOTION SET OUT IN THE EXPLANATORY MEMORANDUM (ATTACHMENT 1) BE APPROVED**

The motion is as follows:

***Special Resolution 1 – Changes to the Rules to comply with new statutory requirements (Fair Work Act)***

To consider and, if thought fit, pass the following resolution as a special resolution:

*That, pursuant to Rule 82 of the Rules of The Motor Trade Association of South Australia Incorporated (Rules), the Rules be amended to comply with the new disclosure and financial training requirements under the Fair Work (Registered Organisations) Amendment Act 2012 (Amendment Act) in the form set out in the Explanatory Memorandum . Attachment 1.*

The President invited the floor for any discussions on the amendment. There were none.

The President then called for a show of hands of those in favour and those against. The members voted unanimously in favour for the above motion.

The President then called on the CEO to read out the second proposed resolution.

The CEO noted that the Board had taken this opportunity to also seek some minor alterations to the Rules, which were not related to the changes noted above concerning the Fair Work Act. These proposed changes will update the Rules, simplify some administrative requirements and also deal with minor inconsistencies within the Rules.

Moved Frank Agostino, Agostino Group, Seconded John Rowley, Caltex Yamba Roadhouse  
**MOVE THAT THE FOLLOWING MOTION SET OUT IN THE EXPLANATORY MEMORANDUM (ATTACHMENT 2) BE APPROVED**

***Special Resolution 2 – Other changes to the Rules***

To consider and, if thought fit, pass the following resolution as a special resolution:

*That, pursuant to Rule 82 of the Rules of The Motor Trade Association of South Australia Incorporated (Rules), the Rules be amended to make them more efficient and to reflect the Association's current structure, and also deal with minor inconsistencies within the Rules, in the form set out in the Explanatory Memorandum . Attachment 1.*

The President invited the floor for any discussions on the amendment. There were none.

The President then called for a show of hands of those in favour and those against. The members voted unanimously in favour for the above motion.

**OTHER BUSINESS**

The President asked the members if there was any further business to discuss. There was none.

**CLOSURE**

There being no further business the President thanked all for their input and closed the meeting at 1.20pm.

Confirmed this day of 16 July 2013.

\_\_\_\_\_  
President