

# MTATE LEADING AUTOMOTIVE INNOVATION

## MEDIA RELEASE

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## Holden Dealers' Hands Forced

Of the 185 Holden dealers affected by General Motors decision in February to pull the brand from the market in Australia, 120 yesterday reluctantly accepted the compensation offer, which averaged \$1,500 per car. The US parent company decided to retreat from right-hand drive vehicles internationally, shocking Australian Holden dealers and those loyal to the brand.

Despite the intervention of the Australian Competition and Consumer Commission and two days of mediation, many dealers were left without any choice but to accept the terms of the compensation. The remaining dealers who did not accept the offer, have not given up the fight with General Motors.

David Nicholson, Australian Holden Dealer Council Secretary said dealers now had empty showrooms and millions in losses from recent refurbishments, and that General Motors refused to negotiate in good faith and would not engage in arbitration.

Australian Automotive Dealers Association (AADA) CEO James Voortman said that General Motors should face a Senate Inquiry and be accountable for misleading dealers about the continuation of the brand in Australia, and their subsequent unreasonable compensation offer.

Dr Brett Dale, Group Chief Executive for MTA Queensland said, "A further review of the Franchising Code must be prioritised to ensure this never happens again. The law must protect Australian businesses and we will continue to support the AADA, advocate for urgent changes to franchising regulations and call on GM to front a Senate Inquiry."

**Motor Trades Association of Queensland** 

### \*\*\*ENDS\*\*\*

#### For more information:

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### **Background:**

The Motor Trades Association of Queensland (MTA Queensland) is the peak body representing the interests of employers in the retail, repair and service sectors of Queensland's automotive / mobility industry. There are some 15,500 automotive value chain businesses employing in excess of 90,000 people, that generate more than \$20 billion annually. The Association represents and promotes issues of relevance to the automotive / mobility industry to all levels of Government and within Queensland's economic structure. In 2019 MTA Queensland was announced as an ABA100 winner in The Australian Business Awards and a finalist in the Lord Mayor's Business Awards, for Business Innovation.

The Association is the leading automotive training provider in Queensland offering nationally recognised training, covering technical, retail and the aftermarket sectors of the automotive industry through the **MTA Institute (RTO 31529)** - a registered training organisation. It is the largest independent automotive apprentice trainer in Queensland employing experienced trainers who are geographically dispersed from Cairns to the Gold Coast and Toowoomba to Emerald. In the last year, the MTA Institute delivered accredited courses to more than 2,000 students. The MTA Institute is the first trade RTO in Australia to be approved under the ITECA Industry Certification Program and was announced the winner of the Small Training Provider of the Year at the 2019 Queensland Training Awards.

**MTA***iQ*, Australia's first automotive innovation hub established by MTA Queensland in 2017, is an eco-system that supports innovation for mobility and the motor trades.