

LEADING AUTOMOTIVE INNOVATION

MEDIA RELEASE

Friday 28 February 2020 FOR IMMEDIATE RELEASE

Holden Dealers Need to Be Treated Fairly

Although it is early days in relation to the actual financial cost of the Holden brand closure on the Australian economy and more directly the impact on the Holden car dealers, it is certain that the cost will be significant.

Managing Director and Chief Executive Officer of Australia's largest car dealer AP Eagers, Martin Ward, said there are 943 dedicated General Motors (GM) employees who will be affected across his dealerships. He said there is also GM stock, leases and property that will all be directly affected, and GM need to take responsibility for this.

Mr Ward added that US-based GM has an obligation morally and legally to ensure car dealers are provided adequate compensation packages.

The Australian Automotive Dealer Association (AADA) is the peak body representing Australia's franchised new car dealers and yesterday they announced support for a Senate Inquiry into the decision by GM to withdraw the Holden brand and operations from Australia.

AADA CEO James Voortman said, "As an industry we were shocked by GM's decision and the way it was communicated. However, we have been even more shocked by reports from our members on the grossly inadequate compensation on offer.

"Holden Dealers invested significant capital in facilities, stock and equipment. Many signed up to long term leases. They employed people in their businesses and took on apprentices. All of these decisions were made in good faith based on commitments from Holden that they were in Australia for the long-haul," said Mr Voortman.

MTA Queensland Group CEO Dr Brett Dale said, "It is critical that GM compensate all Holden dealers fairly and that the precedent set, is an appropriate one for Australia's future. The Senate Inquiry to review the actions of GM is necessary and we welcome the decision by Government. We will provide a written submission and give evidence at a hearing on behalf of our AADA Queensland members.

"MTA Queensland will be working closely with the AADA to ensure we are forthright in our advocacy for exit arrangements to be equitable."

ENDS

For more information:

Lysa Dugandzic | Marketing & Communications Manager | 0428 510 163 | lysad@mtag.com.au

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.

MTAiQ, Australia's first automotive innovation hub established by MTA Queensland in 2017, is an ecosystem that supports innovation for mobility and the motor trades.