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Media Release

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General Motors Holden censure sounds warning to car manufacturers and vindicates reforms

The Senate Education and Employment Committee's censure of car company General Motors (GM) for its conduct in the Holden brand's retirement and vacating the Australasian market is a warning for some car manufacturers to embrace reform and reset relationships.

MTAA CEO Richard Dudley said censure is among the most potent means the Committee could have used to express its criticism and disapproval of the conduct and actions of General Motors in its treatment of Holden dealers, their employees and their families.

'Censure and condemnation of GM serve as a warning to any car company that seeks to exploit their significant relationship power to the detriment of Australian dealer businesses and vindicates MTAA, Member association and dealer constituent longstanding calls for reform,' Mr Dudley said.

'MTAA cannot identify a similar example where a Senate Committee, in a bipartisan final report, has not only censured the conduct of a company but also condemned the actions of that company as un-Australian', he added.

MTAA, Member Associations, and their dealer constituents have worked tirelessly for almost two decades to highlight the growing power imbalance between car manufacturers and dealers and the negative impacts of this on consumers, dealer businesses, the jobs of thousands of Australians, and the communities they serve.

Mr Dudley said the inquiry provided a necessary focus on some car manufacturers' conduct and actions delivering a final catalyst for reform.

'We thank the Morrison Government and, in particular, the Prime Minister, Ministers Michaelia Cash and Karen Andrews for responding to our representations and delivering the necessary and substantial reforms required to rebalance car manufacturer and dealer relations,' he said.

Mr Dudley said the MTAA and Members thank the many dealers who, despite genuine retribution fears, participated in and assisted with this inquiry. Without their willingness to provide first-hand knowledge and detailed experiences, we would not have demonstrated the manifestations, impacts and detriment of some manufacturers conduct and actions.

MTAA is appreciative of the efforts of Committee Member Senator Deborah O'Neill. Senator O'Neill was considered and forceful in exploring the issues impacting small businesses and franchisees throughout the franchising and car manufacturer inquiries. MTAA also thanks the Committee headed by Chair Senator Louise Pratt, Deputy Chair Senator James McGrath, and other Committee Members Senators Don Farrell, Mehreen Faruqi, and Matt O'Sullivan.

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MTAA Member Associations

