



GM Holden

Additional Submission

Education and Employment References Committee (Senate)

General Motors Holden Operations in Australia

6 November 2020

GM Holden (Holden) thanks the Senate Education and Employment References Committee for the opportunity to have made three prior submissions to date and appear before the Committee on 3 August 2020.

Holden is making this additional submission in response to an invitation from the Committee Secretary relating to the additional terms of reference established on 7 October.

Holden also refers the Committee to the submission dated 30 October 2020 which has been made by the Federal Chamber of Automotive Industries (FCAI). Holden supports the FCAI submission.

With regard to the Holden national sales business of new vehicles, which has been wound down throughout the course of 2020, Holden refers to the information and comments it has provided in previous submissions and testimony to the Committee.

Holden can further report that 92% of its dealers have now accepted Holden's Transition Support Package and almost all of these dealers are continuing business with Holden as authorised Holden Service Outlets. This enables Holden to continue to provide an aftersales service and repair network for its customers across Australia. Holden has said it will provide aftersales customer support for at least the next ten years.

GM Specialty Vehicles (GMSV) has been discussed in Holden's previous submissions. GMSV will be a niche low volume business and is being officially launched soon. It has not yet commenced new vehicle sales in Australia or New Zealand. GMSV is a wholly owned business of General Motors and along with Holden, is part of the General Motors Australia & New Zealand group of businesses.

GMSV will distribute niche specialty truck and performance vehicles, with the Silverado truck to be remanufactured to right hand drive by the Walkinshaw Automotive Group in Melbourne.

GMSV received, and continues to receive, very keen interest in the GMSV franchise from dealer businesses across Australia. GMSV is close to finalising the appointment of over 50 GMSV dealers throughout Australia pursuant to agreements consistent with the Franchising Code of Conduct. With the niche size of GMSV, capital investment costs for

dealers will be relatively modest. GMSV looks forward to a mutually prosperous future with its dealers in Australia and New Zealand.

Holden has previously made a detailed submission regarding franchising code regulations during the formal review of the Franchising Code of Conduct in 2019.

Australia is an open market and various distribution structures are available for distributors to consider for sale and delivery of products to consumers. Australian consumers are typically early adopters of new technologies and innovations in the marketplace. It will be prudent for all businesses within the automotive sector to monitor consumer purchasing habits as they evolve with new technologies and global trends, particularly relating to online business models and platforms for product purchasing and sharing, which are rapidly evolving in Australia.

Holden thanks the Committee for the opportunity to provide four submissions and testimony to the Inquiry.

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