



AUSTRALIAN
AUTOMOTIVE
DEALER
ASSOCIATION

SUPPLEMENTARY STATEMENT TO SUBMISSION

6 July 2020

Since the AADA submission to this Inquiry was lodged on 25 June, there have been a number of significant developments.

- On 27 June, the Minister for Small Business Michaelia Cash wrote to General Motors and the Holden Dealers requesting that both parties settle their dispute via arbitration. She also requested that GM extend the 30 June deadline they had provided to the Dealers.
- Dealers agreed to participate in arbitration, but GM refused, calling the Minister's request inappropriate and unhelpful. Since late February, GM has consistently told Dealers, elected representatives and the media that their offer was fair. It is unclear why it would not be prepared to back up these claims in an independent arbitration process.
- GM's refusal left many of the Holden Dealers with the prospect of a costly and lengthy court battle; and the concern that they would be denied the opportunity to continue to provide service and repair work for their loyal customers.
- Approximately a third of the Holden Dealers signed before the deadline. The remaining Dealers are weighing up their options. Those that have signed will by large all agree that the offer was by no means fair or reasonable, but it was preferable to protracted and costly court action.