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HOLDENS CLOSURE ROCKS SUPPLY CHAIN

The Federation of Automotive Products Manufacturers (FAPM) is extremely disappointed with the decision made by GM Holden today to cease manufacturing vehicles locally in 2017.

“The closure of GM Holden’s Australian manufacturing facilities in 2017 will impact tens of thousands of people working in the automotive components sector,” said Chief Executive Richard Reilly.

“It has rocked the supply chain.”

The FAPM is concerned today’s announcement could lead to the end of a viable local industry due to reduced vehicle volume with only one carmaker left from 2018.

“That would spell the end of the Australian automotive manufacturing industry,” said National President Jim Griffin.

“Ford had already announced manufacturing would end in 2016, with Holden’s announcement, there isn’t enough volume for components locally to make us viable.”

“If you cut the trunk down, the branches will come down with it.”

The FAPM will be working with its members over the coming days to assess the impact of the announcement. It is expected that the supply chain will experience widespread consolidation, job loss and diversification into non-automotive industries.

“A lot of our members won’t make it,” concluded Richard Reilly.

“However, we recognise the challenges ahead to make the supply chain globally competitive by 2017 and we are determined to face them head-on.”

Richard Reilly is available for interview on (03) 9863 2400 / 0414 292 470

To view FAPM video on automotive crisis please click on link below

<http://fapm.publish.viostream.com/fapm?v=xhwne9o8j5k8>