

# BULLETIN

## Industry Divisions



Reference No: Phase 1/mm-9-20

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Dear Member

You will find in the highlighted links extra terms to be added to a [Dealer COVID-19 plan](#) and a [dealership end to end sales process flowchart](#) that have been provided to the Victorian Premier Daniel Andrews and other Senior Bureaucrats in pursuit of having Stage 4 Retail Business exemptions urgently granted for automotive dealerships. Both the plan and flowchart are over and beyond what dealerships already have in place with their own COVID-19 Safe Plan.

VACC has requested a sensible, partial and very managed opening process to be granted well before October 26 or other landmark date. This is an opening process that includes new and used car, commercial vehicle, motorcycle, tyre, car rental and farm machinery dealerships.

VACC CEO, Geoff Gwilym has consulted with the Government on this and will conduct further meetings and provide further guidance to Government over the next week. VACC also remains alert to Stage 3 restrictions and the impacts on members in those areas.

**To manage your expectations VACC is not expecting any concessions from the Government in the very immediate short-term future. This is phase 1 of VACC's strategy to get dealerships open. We may come to members very soon for further assistance. We will have a summary of today's Premier's announcement out to members early this week.**

### About the plan

The plan is over and beyond what dealerships have in place with their own COVID-19 Safe Plan.

This plan has been created to demonstrate the commitment and sophistication of the Victorian Dealership Network in eliminating the transmission of COVID -19. The plan hopes to provide confidence to the Victorian Chief Health Officer and Premier Andrews to permit new and used car, motorcycle, commercial, tyre and farm machinery vehicles sector to open in a limited retail capacity during the Stage 4 Restrictions. The initiatives and implementation measures contained within the VACC plan are over and beyond the current COVID-19 Safe Plans that this sector has in place.

### The amount of positive coronavirus cases in franchise dealerships

The number of cases identified in the vehicle dealership sector has been low. From 1 July 2020 there has only been one recorded instance of a staff member contracting the coronavirus in Stage 4 Melbourne.[\[1\]](#)

### Current Stage 4 dealership operating conditions

Prior to the announcement of 16 September 2020 that eased the restrictions with relation to logbook servicing, only 52 per cent of dealerships are open for vehicle servicing only.[\[2\]](#) Those that were open for retail-on line sales fulfillment reported a very limited trade.

### What the numbers say

For Victoria, August 2020 sales are down 65.9 per cent compared to last year, and YTD sales are down 29.6 per cent. These numbers have been 'propped up' by a reasonably strong performance by Regional Victorian dealers who have been trading in Stage 3 conditions.[\[3\]](#)

There has also been reports of some brands encouraging dealers to report cars sold that have not actually been retailed to a consumer (aka 'cyber cars'). If this is the case you are encouraged to advise VACC.

### **The impact of JobKeeper post 28 September 2020**

VACC research reveals that approximately 200 franchise dealers in Stage 4 Restricted areas do not qualify JobKeeper post 28 September.<sup>[4]</sup>

Dealerships who do not qualify for JobKeeper from 28 September could possibly start staff stand downs if business restrictions remain as they are under Stage 4.

### **Implementations for your consideration**

VACC has consulted with our franchise dealers and created a new level of COVID-19 Safe Plan measures for Government's consideration. This new level includes:

1. Limiting retail staff to a maximum 50 per cent of current staff level per dealership (including admin).
2. Customers to make a designated appointment to view vehicle and complete paperwork. Maximum appointment time to be 30 minutes.
3. Limiting dealerships to two customers at any one time in dealership.
4. Viewing of new and use stock in dealership forecourts (i.e. no showroom viewing).
5. Consumers to deal with the same dealer representative from end-end.
6. Test drive of vehicles limited to one customer with support person (if required).
7. Strict vehicle sanitisation processes to be completed after each interaction with a consumer.
8. VACC COVID-19 Hotline number for emergency or extraordinary dealer queries.
9. Contactless handover of vehicle or freight delivery to consumers address.
10. Implementations of protocols for staff journey/travel to and from work.

VACC will support any exemption granted by the CHO or Premier with an extensive media campaign.

VACC will continue to assist the Victorian Government in all areas to help eliminate any further harm cause by the scourge of the Coronavirus.

VACC dealer members operate safe and healthy workplaces and support efforts to stimulate economic activity, recovery and jobs of all Victorians.

**Michael McKenna MBA**  
**Industry Policy Advisor**

Industry Divisions

**VACC**

Level 7 | 464 St Kilda Road | Melbourne Vic 3004

**P:** 03 9829 1280 | **M:** 0418 822 939 | **F:** 03 9867 1795 | **W:** [vacc.com.au](http://vacc.com.au)

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<sup>[1]</sup> VACC Industrial Relations and VACC OHSE

<sup>[2]</sup> VACC surveying 2020

<sup>[3]</sup> VFACTS August 2020

<sup>[4]</sup> VACC COVID-19 Survey August 2020