

Dear Senate Standing Committees on Economics,

My submissions to points a) to h) in the Terms of Reference of The Australian manufacturing industry Inquiry are as follows:

- a. *what manufacturing capacities Australia requires for economic growth, national resilience, rising living standards for all Australians and security in our region;*

The first manufacturing industry Australia requires is a government bank to produce credit to supplement or even fund productive industries (e.g. food growth, dam and bridge building, public housing) to lift standard of living and provide more manufacturing jobs which will re-balance the manufacturing to service jobs ratio, leading to greater prosperity and progress for all Australia.

- b. *the role that the Australian manufacturing industry has played, is playing and will play in the future;*

During World War 2, when Australia was at its most productive per capita it spent nearly 7 times per year than peacetime on a fairly non-productive cause (war). Despite this, under careful stewardship the Commonwealth Bank (then publicly-owned) left Australia with no debt, no inflation and no interest rate rises. Government banking is the Australian manufacturing industry which powers all other manufacturing industries.

- c. *the drivers of growth in manufacturing in Australia and around the world;*

Political will is the main driver. Firstly, an understanding that the manufacturing industry must dwarf the finance industry, not the other way around as the situation stands today.

PPP's, which see government insuring losses of private partners who already take lions share of profit bleed the public purse. Borrowing money on interest from private banks bleeds the public purse. Selling good assets to build not-so-good assets bleeds the public purse. Government credit used for the same ventures internalises debt (no-one will come to call on it) until that infrastructure pays itself off (refer to yearly profit of Snowy Mountains Scheme [electricity and agriculture])

- d. *the strengths of Australia's existing manufacturing industry and opportunities for its development and expansion;*

Australia's dairy industry was once a great strength. It needs support and protection. Food growers likewise need help. Also I can't understand why this question is limited to "existing" industries – are we not looking to the future? Government subsidies and tariffs will help nurture ailing industries back to health and sprout new industries.

- e. *the sectors in which Australian manufacturers enjoy a natural advantage in energy, access to primary resources and skilled workers over international competitors, and how to capitalise on those advantages;*

This question asks me to suggest how to capitalise on natural advantages in energy which Australian manufacturers have, not the possibilities for expansion. It is sad that government inquiries do not seek greater scope.

- f. *identifying new areas in which the Australian manufacturing industry can establish itself as a global leader;*

Australia has the natural advantage of sunlight and untapped water schemes which could green much of our deserts and produce a food belt which is the envy of all other nations. All we need to do is reawaken the manufacturing industry of credit creation. The more productive the industry this credit is directed to, the greater the prosperity of every Australian.

- g. *the role that government can play in assisting our domestic manufacturing industry, with specific regard to:*

- i. *research and development;*
- ii. *attracting investment;*
- iii. *supply chain support;*
- iv. *government procurement;*
- v. *trade policy;*
- vi. *skills and training; and*

- i. ensure that every school has classical learning to help every young student become eager to explore inner and outer space.
- ii. At the risk of repeating a theme we should not need to attract investment. If we reignite government credit manufacture we can invest where we please.
- iii. Governments with books “back in the black” can support supply chains and I have mentioned elsewhere in this submission which manufacturing industry you need to reawaken to do that.
- iv. Government procurement will be a lot easier to do with the re-establishment of the manufacturing industry I mentioned several times earlier.
- v. If your government wants to keep provoking China is it not better to match their economic might to ensure all Australian citizens can survive without our biggest trading partner? No, it is better to not provoke them at all.
- vi. government should stop subsidising schools of finance.

- h. *the opportunity for reliable, cheap, renewable energy to keep Australia's manufactured exports competitive in a carbon-constrained global economy and the role that our manufacturing industry can play in delivering the reliable, cheap, renewable energy that is needed.*

1. Not signing up to the next Kyoto or any other related commitment will eventually eliminate this problem. Cut past the scare-mongering, name labelling and pseudoscience and you will see that anthropogenic climate change is as insignificant as physical man in the universe. Thinking more of physical man is anthropocentric and wrong. I do not accept a tax on the air I breathe.
2. Build nuclear reactors that preferably use thorium, but may use uranium. Work with other countries to develop understanding of harnessing fusion energy.

I understand “that the committee is not obliged to accept every document it receives as a submission” and that “the committee has the option to accept a document as correspondence, or not accept it at all depending on its content”. Carefully applying these statements I trust you will endeavour to uphold the rigour of this Inquiry. I eagerly anticipate the final report.

Yours Faithfully,

Andrew Soulos