



Automotive manufacturing: A positive road ahead

In recent days following the release of the report, ***Shifting gears: employment in the automotive component manufacturing industry***, by the House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation considerable speculation has existed on the future of the automotive sector in Australia.

While the automotive component manufacturing in Australia has been characterised by closures over the last 12 months the report sets out the changes needed to establish a positive future for the industry; based on innovation, research and development, niche product development for the export market and skills training.

The bi-partisan report makes a series of recommendations to the government to secure the road ahead for the industry.

The report is timely given recent announcements of retrenchments by component manufacturers such as Ajax Fasteners in Victoria and the challenges that skills shortages pose to business growth. A total of 18 recommendations are made addressing employment and training in the industry, skills needs and labour adjustment measures, supply chain support and market opportunities for the industry.

The chair of the Committee, Mr Phil Barresi MP commented that “While the industry is facing significant challenges, it is innovative, dynamic and capable of meeting change and therefore securing its own future. The recommendations in the report provide a framework to turn around the pattern of closures and open up new opportunities for innovation in the industry”.

“Through the strategies identified”, he added, “We can support the industry to meet these challenges and establish a competitive position in the global marketplace, ensuring ongoing employment for Australians.”

The report recommends:

- review of R&D assistance to assess whether Australia is internationally competitive;
- extension of R&D assistance to Australian based subsidiaries of multinational companies where the R&D takes place in Australia to the benefit Australian products;
- a vision for the automotive component industry that establishes Australia as a niche market for innovation and investment;
- reporting on the level of local components in locally manufactured vehicles.
- a co-ordinated and high-level whole-of-government approach to automotive skills training;
- consolidating training resources to establish a centralised teaching foundry to service the casting industries;
- an automotive component manufacturers leaders forum to improve recruitment and the image of the industry;
- a national study on the post-redundancy outcomes for displaced workers within the industry;
- general labour adjustment program to support the automotive component industry;
- a reviewing the status of Automotive Training Australia as the representative of the industry’s skills needs;

Copies of the report can be obtained by contacting the committee secretariat on (02) 6277 4162 or on the Committee’s website at www.aph.gov.au/house/committee/ewrwp or emailing ewrwp.reps@aph.gov.au

For media comment please contact the Committee Chair Mr Phil Barresi on (02) 6277 4350.
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