

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates

26 February 2014

**Question:**               **AET 2994**

**Topic:**                   **Automotive Industry (PC)**

**Hansard Page:**       **48, 26 February 2014**

**Senator XENOPHON asked:**

2994. Senator XENOPHON: I will not enter into a debate with you, because it will not be productive in terms of whether or not there ought to be assistance, given the decisions made by General Motors Holden and Toyota. The key issue is: is the Productivity Commission's focus now on dealing with the up to 40,000 jobs in the component industry as to how they can adjust, whether they can survive, or, if not, what sort of assistance can be provided to them?

Mr Woods: Thank you for your question, Senator. And, yes, I appreciate the evidence that you gave to our inquiry recently. The Productivity Commission is very focused now on the situation facing both the component manufacturers and the employees of both the component manufacturers and the assembly plants. We are identifying that in fact there may be some differences between those two workforces, and we are looking at ways in which support can be best provided. First and foremost is that the basic safety net is appropriate, given that it has to apply to the hundreds of thousands of others who are involuntarily retrenched each year in the economy.

Senator XENOPHON: Mr Woods, because I am really under the hammer time wise, do you mind just providing some more information on that on notice, because I have a few other questions.

**Answer:**

2994. The inquiry will be focusing in its final report quite heavily on the issues facing the component manufacturers and on the workforces of both the assemblers and the component manufacturers.