

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry and Science Portfolio
Additional Estimates 2014-15
26 February 2015

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY AND SCIENCE

TOPIC: Automotive Manufacturing – supply-chain firms

REFERENCE: Question on Notice (Hansard, 26 February 2015, page 125)

QUESTION No.: AI-33

Senator XENOPHON: If these questions have already been asked by Senator Carr, then I apologise, and you can indicate that. In answers to my questions on notice from the supplementary budget estimates from last year, it was indicated that the department had assessed the number of supply-chain firms that may be affected by the closure of automotive manufacturing in Australia. Can the department advise the number of supply-chain firms and the overall number of employees affected by that?

Ms Beauchamp: I think we did, on the overall number of employees affected.

Senator XENOPHON: Would you like to take that on notice? I am happy for you to do so.

Ms Beauchamp: We did make reference to the supply-chain companies earlier in terms of numbers.

Senator XENOPHON: But it would be good to get an idea of how many employees are involved in that.

Senator Ronaldson: We will take that on notice.

ANSWER

The Productivity Commission's Report on Australia's Automotive Manufacturing Industry states that the three motor vehicle producers are supported by a complex logistical supply chain of about 160 businesses involved in the engineering, design, tooling and manufacturing of automotive components (not including firms that manufacture exclusively for the aftermarket).

The department undertook analysis of predicted direct automotive job losses as part of the economic reviews of South Australia and Victoria:

<http://www.industry.gov.au/AboutUs/CorporatePublications/ReviewofSouthAustralianandVictorianEconomies/Documents/GrowingOpportunities-SouthAustraliaandVictoria.pdf>.

The estimated number of job losses may be up to 27,500 jobs Australia wide.