

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Science, Research and Tertiary Education Portfolio
Additional Estimates Hearing 2012-13
13 February 2013

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION

TOPIC: Transfer of skills

REFERENCE: Question on Notice (Hansard, 13 February 2013, pages 39-40)

QUESTION No.: AI-16

Senator CAMERON: The argument has been that actually it is a good thing to crowd manufacturing out of the economy to allow the skills to be freed up to move to what was seen as a growing area of the economy, the minerals resource sector. But the skills in the manufacturing sector are not always compatible with the skills that are required in the minerals sector—is that correct?

Mr Lawson: To the extent that the automotive industry people have good skills, those skills are valued in other sectors. My understanding is that those other sectors sometimes do put some pressure on the automotive industry in terms of looking for skilled people. Mobility occurs in the labour market, but the government provides assistance in providing appropriate skill upgrades and things like that to assist people to make those transitions.

Senator CAMERON: But this economic rationalist argument that Senator Ryan would probably espouse to his mates down at the HR Nicholls Society does not really work, does it? You cannot take a toolmaker—

Senator BUSHBY: Chair, we are now having a discussion about—

CHAIR: Order! Senator Cameron has the call. Senator Cameron, you should not be reflecting on other senators.

Senator CAMERON: I am not reflecting; I am only making a comment.

CHAIR: That is reflecting.

Senator CAMERON: I am being as nice as I can. So, with these skills, a toolmaker cannot just go and become a diesel fitter, can they?

Mr Lawson: I think you have the advantage of me, Senator, in the sense of understanding—

Senator CAMERON: I think I have. I would have thought some of you guys would know these things.

Senator BUSHBY: It is hypothetical.

CHAIR: You may take a point of order if you wish, Senator Bushby, and I will rule.

Senator BUSHBY: On a point of order, I think we have given Senator Cameron a fair bit of latitude in exploring these issues, but he is now asking the officers to discuss economic theory. You would probably be better off doing that with Macroeconomic Group tomorrow than asking hypotheticals about things that are not on the table from anywhere.

Senator CAMERON: These are not hypothetical issues.

CHAIR: Senators regularly ask officials to offer opinions on matters of policy. Officials should respond where it is within their competence. If they do not have any knowledge, they just say so. But I do not think the questions that Senator Cameron is asking at this stage as to transferability of skills between trades and occupations is yet to be classified as speculation.

Senator CAMERON: If you do not know, that is okay, but I am surprised that there has not been some analysis in the industry portfolio about transfer of skills and problems of transfer of skills. But that is okay.

Mr Durrant: Perhaps I can make a comment about some of the outcomes of the Mitsubishi closure. The workforce there was quite old, so the consequences were that people decided not to—

Senator CAMERON: They were in their 40s or something.

Mr Durrant: Employees decided to finish up and not look for other jobs. I understand that for those who did find another job it was a relatively short time before they did so. However, they reported that their remuneration was not as high as it was in the automotive area.

Senator CAMERON: How long did they stay in those jobs? You see, there are all these issues that seem to be ignored when the analysis is done. But I appreciate the time I have been given. Can you also, on notice, provide me with details not only of the employment impact of the jobs in the car and component sector in the main areas of production but also of the economic impact in those regional areas, as distinct from the national economic impact.

Mr Lawson: We will do what we can. I think one problem that we will be faced with is that the breakdown of employment data by region is much more granular than the breakdown of things like value added or investment and things like that. So I am not sure that we will have the same capacity to provide that breakdown, but we will investigate what is available and make sure we can provide it to you.

Senator CAMERON: It must be the new in-word. I heard a lot about 'granularity' last night.

Mr Lawson: Yes, absolutely. I thought about it for a moment.

Senator CAMERON: Okay, thanks very much.

ANSWER

The ABS does not publish data on key economic variables such as industry value added, expenditure on R&D, expenditure on plant and equipment and trade for manufacturing industry sectors for small areas.