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From: Economics, Committee (SEN)

Subject: The Australian Manufacturing Industry Enquiry
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Senate Standing Committees on Economics

I have been unable to upload to the Senate portal. Would you please accept my submission as follows:

Australia is going through a very difficult period, with a pandemic, lockdowns, substantial debt, job losses, business closures, and considerable hardship for many.

The world is in trouble: geopolitical conflicts, trade wars, massive quantitative easing by central banks with hyper-inflation a real possibility, concerns of widespread drug use, child trafficking, food shortages, and a widening gap between the rich and poor creating suspicion and conflict.

Australia is not immune to any of these problems. To quote former PM Tony Abbott, "We are sleepwalking towards very dangerous times" (Sky News 1/09/21)

Geopolitical differences in our region have raised political tensions affecting our trade, our economy has been weakened after decades of involvement in costly wars, business and energy costs have escalated to a level that has made it difficult to compete in many areas, and our debt continues to rise.

We have failed to build the infrastructure needed for our burgeoning population, our decision-making has been influenced by big business and international world bodies who issue directives obliging our government (under pressure) to follow, these are often not in our best interest.

Our defence capability has not kept pace with other countries; There have been a number of poor choices in relation to defence purchases....these need to be urgently addressed to meet the present safety concerns that our analysts advise currently exist.

All the above factors have caused manufacturing and industry to move offshore and valuable skills of our workforce have been lost.

What is needed:

We must find solutions for the above problems and seek to become more self-reliant, depending less on our allies (who have problems of their own). To achieve this we should focus on what our country needs, and what is best for our nation.

Manufacturing capacities required for growth, national resilience and rising living standards would be achieved by making products specifically to meet domestic demand (to reduce reliance on imports), and should include infrastructure (high-speed rail, dams etc). And increasing manufacture of suitable products for overseas markets would improve cash flow and the economy.

A major role for the manufacturing industry exists for defence and infrastructure. Many projects have been already identified but lack finance. Solutions for this could be found

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with a national bank to provide the necessary funding.

Australia's dependence on global supply chains for many essential goods places us at risk in an increasingly hostile environment. It is very important that we prepare now for the difficult times ahead, which means manufacture and production. - Unfortunately we are starting this 'journey' from a low base:

For two decades after World War II Australia produced most of the needs for everyday life, there was close to full employment, and manufacturing jobs accounted for more than 25 per cent of the workforce. Since the 1970s there has been a rapid decline in our (once productive) economy.

To revive the manufacturing industry a skilled workforce is essential. An investigation into the causes of our shortage, and solutions to the problem is required, and to examine ways to best upgrade skills training through the TAFE and apprenticeships etc (closely integrated with the industry), and adoption of the latest technologies to help build future prosperity.

Manufacturing can only be revived with cheap base-load energy...commonsense must be allowed to prevail on this issue with advanced clean coal technology in the energy mix, and transition to nuclear power essential for a manufacturing revival.

To be successful it will be of fundamental importance to establish a National Development Bank to guide and facilitate this vital project, to ensure it is undertaken in the best interest of our nation and its people. The calibre of those chosen to manage this undertaking will need careful consideration and judgement.

Graham Crowther