

Senate Standing Committees on Economics
PO Box 6100
Parliament House
Canberra ACT 2600

REF: The Australian Manufacturing Industry

Dear Sir/Madam,

The following is my submission to the Senate Standing Committees on Economics addressing the terms of reference highlighted in the below submission.

Introduction

Our company is Flinlex Pty Ltd trading as Young Control Systems. As an electronics engineering company we have designed, developed, and are now manufacturing a number of sensor products, exclusively for Telstra and a full range of electronic devices for aged care and hospital markets.

Preamble

Australia has always been capable of innovation and resourcefulness stepping up to the mark in times of need. From agriculture to aeronautics, we stand on the shoulders of men and women who have changed the world with products they designed and manufactured. As the fragility of our supply chains are now realised, we need more than ever to reignite our manufacturing capabilities to sustain our longevity.

Terms of Reference

a. what manufacturing capacities Australia requires for economic growth, national resilience, rising living standards for all Australians and security in our region.

In relation to resilience and security, our country now needs several Strategic Arms Manufacturers, located throughout our nation to provide us with our own deterrent devices such as drones and missiles. Initial devices can be made under licence.

In time these industries will spawn their own home-grown products, boosting our export economy.

b. the role that the Australian manufacturing industry has played, is playing and will play in the future.

Australia has played a major role in the development of agricultural equipment during the early 1900's with the Hugh Victor McKay Sunshine Harvester. Arguably one of the greatest pieces of machinery to revolutionise the farming industry. Today our farm machinery capability is growing with technological devices that improve the yields beyond what was thought possible a few years ago and provide farmers and agronomists with invaluable data to protect our export capability.

In the future we need to add to and combine technologies, wherever we find them, to maintain our food production standards. With a closer relation between Ag colleges and the Electronic Industries, these products can be realised, not only for our future proofing, but being able to provide export quality products. This translates to Ag Electronics courses in Universitas and Colleges.

c. the drivers of growth in manufacturing in Australia and around the world;

Speaking for my industry- Electronic manufacturing and Assembly – China has always been our biggest competitor and as we have watched their standard of living / prices increase, our marginal price differences have decreased. Customers are returning for three reasons - 1. Ease of Engineering changes, 2. Higher reliability products. 3. Smaller MOQ.

d. the strengths of Australia's existing manufacturing industry and opportunities for its development and expansion. - NA
e. the sectors in which Australian manufacturers enjoy a natural advantage in energy, access to primary resources, and skilled workers over international competitors, and how to capitalise on those advantages.

- NA

f. identifying new areas in which the Australian manufacturing industry can establish itself as a global leader.

Australia has the raw materials, the resources and all be it ageing expertise, to build a world class government backed and funded military products industry above and beyond what we are doing at present. From drones and missiles to hi-tech add-on's for all our services.

Secondly, we need to be ready for the next generation of battery storage technology and have manufacturing systems in place to supply Grid-Scale solutions to the Australian Energy Network. The flow on is to have the export capability jump on competing nations. – In times of crises, the inhouse product can be maintained more easily.

g. the role that government can play in assisting our domestic manufacturing industry, with specific regard to:

i. research and development. - Simplified application process with Tax relief.

ii. attracting investment; NA

iii. supply chain support; NA

iv. government procurement; NA

v. trade policy; NA

vi. skills and training; NA

h. the opportunity for reliable, cheap, renewable energy to keep Australia's manufactured exports competitive in a carbon-constrained global economy and the role that our manufacturing industry can play in delivering the reliable, cheap, renewable energy that is needed.

– Incentives to convert whole factories to Grid Scale Battery/Solar.

Thank you for the opportunity to comment, any or part may be published as required.

Yours Faithfully

Clive D Kellow
Manager Flinlex Pty Ltd