



Australian Government
Department of Industry

Industry House, 10 Binara Street
CANBERRA CITY ACT 2601

GPO Box 9839
Canberra ACT 2601 Australia

Web: www.industry.gov.au

ABN: 74 599 608 295

Senator David Bushby
Chair
Senate Economics Legislation Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Senator

Senate Economics Legislation Committee – 3 June 2014 – Additional Information

The Industry Portfolio appeared before the Senate Economics Legislation Committee on 3 June 2014.

During the hearings Senator Gallacher asked whether the Northern suburbs of Adelaide are likely to sustain more severe negative employment impacts due to the forthcoming automotive closures compared to other regions, and whether this is consistent with the evaluation of the sector done by the Department.

I replied:

It is certainly true that the activity is concentrated in those areas. As we put in our report, we had a look at what happened to the employment outcomes when we looked at what we call the highly affected regions, which were Playford, Salisbury, Tea Tree Gully and Onkaparinga. One of the things we found in that analysis of the ABS data was that between 2006 and 2011, while the national unemployment rate went up, in Playford the unemployment rate actually went down marginally, in Salisbury it went down, in Tea Tree Gully it went up and in Onkaparinga it went down.

I would like to correct the statement made in response to Senator Gallacher's question above (page 64 of the proof Hansard). The unemployment rates of Playford, Salisbury, and Onkaparinga went up over the period, while the unemployment rate of Tea Tree Gully went down, as shown in the following table.

	Victoria					South Australia				Australia
	Tullamarine- Broadmeadows	Dandenong	Brimbank	Geeelong	Casey North	Playford	Salisbury	Tea Tree Gully	Onkaparinga	
Change in automotive jobs	-224	-1,410	-1,367	-1,056	-496	-553	-626	-506	-873	-15,534
Change in total employment	4,772	-1,204	3,017	4,819	3,670	4,183	4,133	-1,004	1,890	658,938
Employment growth	10.7%	-2.0%	4.7%	6.5%	6.8%	15.2%	7.8%	-2.1%	2.6%	7.2%
Unemployment rate 2006	7.9%	8.2%	9.3%	6.8%	5.7%	9.4%	5.2%	4.5%	6.0%	5.2%
Change in unemployment rate 2006-2011	-0.4%	-1.8%	-1.2%	-1.4%	-0.4%	0.1 %	0.7%	-0.3%	0.1%	0.4%

Source: Australian Census Longitudinal Data Set, 2006-2011 (ACLID), ABS

I understand that Hansard is a formal transcript of proceedings and cannot be altered. However, I request that this revised information be made available to the committee members to ensure they have the most current and accurate information available to them.

If you require any further information in regard to this matter, please do not hesitate to contact me.

Yours sincerely

John Ryan/
Strategic Policy Adviser
20 June 2014

**Senate Economics Legislation Committee
3 June 2014**

Senator GALLACHER: In terms of geography, of the 719 companies participating in the automotive supply chain in South Australia, 203 operate from the northern suburbs—not North Adelaide, the northern suburbs. This high percentage of retail and distribution oriented companies in the northern suburbs is indicative of the complex requirements of the sector. The exercise indicates that the northern suburbs are likely to sustain more severe employment impacts than other regions. Is that also consistent with your evaluation of the sector in your strategic policy advice role?

Mr Ryan: It is certainly true that the activity is concentrated in those areas. As we put in our report, we had a look at what happened to the employment outcomes when we looked at what we call the highly affected regions, which were Playford, Salisbury, Tea Tree Gully and Onkaparinga. One of the things we found in that analysis of the ABS data was that between 2006 and 2011, while the national unemployment rate went up, in Playford the unemployment rate actually went down marginally, in Salisbury it went down, in Tea Tree Gully it went up and in Onkaparinga it went down.