



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES
AUTOMOTIVE TRANSFORMATION
SCHEME BILL 2009

ACIS ADMINISTRATION
AMENDMENT BILL 2009

Second Reading

SPEECH

Wednesday, 19 August 2009

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

<p>Date Wednesday, 19 August 2009 Page 8405 Questioner Speaker Robert, Stuart, MP</p>	<p>Source House Proof No Responder Question No.</p>
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Mr ROBERT (Fadden) (7.06 pm)—I rise to address the Automotive Transformation Scheme Bill 2009 and note that the government is spending \$6.3 billion of taxpayers' money and including assistance from 2015—which was the coalition's previous scheme—out to 2020. One has to ask the question: at what stage will this industry stand on its own two feet? At what stage does it become economically viable?

I understand the importance of an automotive industry in this country. I understand the research and development that it provides. But currently there are 67,384 people—as at 2007 according to the Australian Automotive Intelligence yearbook—employed in the automotive industry, including component tooling and design. With \$6.3 billion over the 10 years the government is looking to fund this, that is \$9,000 per job. If we just focus on the 26,135 people directly employed in motor vehicle manufacturing, over the 10 years that is \$24,000 per job. That is \$24,000 the taxpayer is paying per job for those in the car-manufacturing industry.

I compare that to the marine industry in my electorate of Fadden. I have spoken twice to the Minister for Innovation, Industry, Science and Research, Senator Carr, and not a brass razoo was rolled out to that industry. There is nothing for the marine industry. Riviera Marine are in administration—from 1,200 employees down to 300. I spoke to aluminium tinnie builders today—they are in administration. The number of employees in the marine precinct in Fadden has decreased by 65 per cent. You would think there would be some dollars and cents to help R&Ds when they come out of the current trough they are in so that they will be able to move forward strongly, but there is nothing. But we throw around \$24,000 per employee at the direct car-manufacturing area. It is staggering.

I would have expected that the bill would come out very strongly to say that this is all about the economic viability and the future of this industry so that it stands on its feet once and for all—which was the coalition's intent with the Automotive Competitiveness and Investment Scheme finishing in 2015—and also to be using the incentives for dollars and cents as part of the ACIS scheme to come off tariffs, now replaced with direct cash handouts. When will this industry stand on its own two feet? When will

this Labor government stop supporting and propping up industries?

The other significant issues I have with the bill at present include the fact that there is very little transparency and accountability within the \$3.4 billion car fund that is being raised. Today, Senator Carr, by abandoning negotiations with the coalition, refused proper transparency and accountability over how those dollars and cents will be used. Why? Why hide from transparency and accountability? The details in the bill are also very, very light-on with respect to debt recovery provisions, the right to an AATT review, the monitoring and evaluation of the self-assessment schemes, performance clauses around environmental outcomes and workforce skills. One could say that this is really just coathanger legislation, with everything being put in place through regulations and guidelines which, of course, cannot be amended; they can only be voted down, or indeed, up.

I understand where the bill has come from. I understand it has come from the Bracks review—another classic example of jobs for Labor mates. That never ceases to amaze me—even as an MP from Queensland, where the stench of Labor corruption at the state level is almost overwhelming. But I understand where the Bracks review has come from. I understand why they have moved towards the bill; I just feel that it is lacking, especially in those areas with respect to transparency and accountability, and I am stunned that agreement could not be reached with the coalition to address those issues. Notwithstanding that, the coalition is moving forward in support—notwithstanding the issues with the bill, notwithstanding the extension of support out to 2020, notwithstanding the doubling of money, notwithstanding the \$24,000 per employee in the car-manufacturing industry and notwithstanding that the boat-building industry gets nothing. Having said that, the bill will pass the House, and I look forward to the car industry standing on its own two feet in time.