



Australian Citizens Party

Craig Isherwood, National Secretary

PO Box 376, COBURG, VIC 3058

Phone: 1800 636 432 **Email:** info@citizensparty.org.au **Web:** citizensparty.org.au

MEDIA RELEASE

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Reviving manufacturing is urgent now

The Senate Economics References Committee inquiry into Australia's manufacturing industry is accepting submissions from the public through to its 10 September closing date. This provides an opportunity for citizens to explain to politicians why it's so important to revive the manufacturing industry from its current state of tragic decline. In a volatile and uncertain world, being dependent upon global supply chains for many essential goods places Australia at great risk. We must revive manufacturing and the skilled workforce it demands, to become more self-reliant.

Today manufacturing employs approximately 908,200 persons, which accounts for 6.9 per cent of the total workforce. This figure has steadily declined since the 1970s with neoliberal and radical environmental policies destroying a once productive economy, leaving a property bubble and a bankers' casino in its place. But for two decades in the post-World War II boom, Australia had close to full employment, and manufacturing jobs accounted for more than 25 per cent of the workforce. We used to make just about everything required for everyday life.

The Citizens Party has had extensive dialogue with industry veterans who understand what's needed to revive manufacturing. For example, Alan Baker, a veteran TAFE teacher of fitting and machining, explained his experience in advanced engineering technology such as Computer Numerical Control (CNC) machines. He was also involved in writing the syllabus and handbooks used to teach skilled workers. In an email to the Citizens Party, he explained that the cost to re-equip with plant and equipment is prohibitively expensive, and the cost of power (energy) is killing Australian manufacturing.

"It saddens me a lot to see this happen", says Baker, adding that "the elephant in the room is the loss of skills required to do this stuff". He mentioned that the people capable of the most skilled work are now all old. "There is nobody under 50 who has what it takes to do this stuff ... just ask one of the guys I just spoke of who still treats me like God because of the level of skill I still possess.

"Please understand that before you can get manufacturing back and running, this will not happen simply by building factories and tooling up with some modern machinery then expecting it to start producing. You need a *skilled workforce* and neither side of the political divide wants this to happen. They have desecrated the TAFE system right across Australia and it is an osteoporotic skeleton of what it used to be. I know because I worked in it when it was good and watched it deteriorate over years because of interference by people who don't have a clue. Writing this has upset me a lot but you have to know."

Whilst workers with the highest skill levels are in extremely short supply, a similar theme is present in general for essential trades needed in manufacturing. Consider the Australian Government's Department of Jobs and Small Business [December 2018 survey](#) of metal fitters and machinists in Victoria. The survey found that from 2011 to 2016, "the number of fitters (general) fell 3 per cent, metal machinist and fitter and turner both fell by 19 per cent and fitter-welder fell 36 per cent". And the median age group for metal fitters and machinists was 45-49 compared to 40-44 for all other occupations.

The above government survey compared Census data of 2011 and 2016. And a review of this data for other trades shows many worrying declines. The number of people working as fitter and turners (in their main job) fell from 11,900 in 2011 to 9,600 in 2016; fitter-welders from 1,300 to 950; metal machinists (first class) from 3,100 to 2,400; and toolmakers from 5,200 to 2,500. The 2021 Census data is not yet available.

Manufacturing will only be revived with cheap baseload energy. Therefore, a premature shutdown of coal-fired power stations must not happen. The Citizens Party believes a transition to nuclear power will be essential for a manufacturing revival. China, the world's number-one economic powerhouse, is taking this approach. So should Australia.

Manufacturing will only be revived by rejecting the failed neoliberal economics which has destroyed Australia's economy over the last several decades. This is where a national development bank is essential to direct credit to new business start-ups. And the neoliberal model must be rejected in the education system to ensure a future manufacturing workforce has creative thinkers. Baker expanded on this point: "Remember that both major parties see education as a direct cost now rather than an

investment in the future.

“TAFE must revert to being the leveller rather than teaching specific skills. Industry simply wants to abdicate its responsibility to train for specifics. You must also remember that just because your company does not use certain skills that those skills are not required in another company along with the processes, and this is what TAFE should be for: to supplement industry rather than do industry’s job.”

Politicians need to hear a message loud and clear from Australian citizens that manufacturing will help build future prosperity. Send them a message with a submission to the Senate inquiry. This is particularly important if you have direct experience in the manufacturing industry. Politicians need to hear of your valuable insights and experience. Go to

https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Economics/REFSManufacturing to make a submission before the closing date of 10 September.

Everyone make a submission!

- The Senate inquiry is a great opportunity for Australians to demand the Parliament address this crisis seriously, and not just go through the motions. Everyone is qualified to make a submission.
- Your submission can be as simple as a letter to the Committee telling them they should support a national development bank, they must investigate the causes of and solutions to the skills shortage, etc., or, you could prepare a more in-depth submission to share your particular insights.
- Click on the link above for the terms of reference and information on how to upload or email your submission.