

## **Why is Manufacturing struggling?**

The Gillard Government has blown the opportunity to do something positive for manufacturing with today's announcement of the totally unnecessary Manufacturing Taskforce. Of the 23 people appointed to the taskforce, how many have any hands-on experience in running a manufacturing business, particularly at the SME level? Only 1 out of 23! We should not be surprised that the taskforce includes no less than six unions, yet not one of them has ever owned or operated a manufacturing company of any size. Why is it that Japan has an extremely competitive manufacturing industry yet they too have high cost of living and high wages in a similar mature economy such as Australia's? This is before the negative impact of a carbon tax which will further reduce our competitiveness.

There are many challenges facing industry at present, the high dollar, cheap imports, the carbon tax, inflexible workplace laws as well as a total lack of understanding & support from Federal Labor. Manufacturing doesn't need, nor want a free kick in front of goal, they will take their chances at the centre bounce, yet regressive industry policies coming out of Canberra (not to mention 11 years of inaction by State Labor) prevent many manufacturing businesses from even spectating, let alone being part of the action. The good news is that manufacturing isn't dead yet, it's changing and evolving and there is a high level of resilience within, particularly from the SME manufacturers, yet their patience is being severely tested and if the Gillard Government want to do something to help manufacturing they should stay out of the way and leave manufacturers to do what they do best; innovate, create wealth and provide employment for Australians from all walks of life. Sadly Gillard, Carr, the union's et al, just don't get it, in this instance, doing nothing would be a positive thing. If you want to reform or improve manufacturing, talk to the customers, they are the only ones who truly understand the frustrations of manufacturing in Australia and they too will provide the solutions, not those who arguably, have contributed to the problems in the first place.

The significance of manufacturing should not be underestimated, bringing numerous employment openings for the trades and semi-skilled occupations, as well as the crucial flow on effects to other careers, for example, sales, administration, marketing, accounting & design etc. All of these and many others rely on a strong manufacturing base. There is also a significant social aspect to manufacturing which is never talked about, that of employment for young Australians, particularly those who struggle in school and don't want to be there (I was one of them many years ago) quite often they slip through the cracks. The apprenticeships and semi-skilled opportunities that a strong manufacturing (and building) sector provide give hope to these young people and others such as migrants, those with mild disabilities and mental health issues to name a few. A viable manufacturing base can provide opportunities to get a start in life. More often than not, getting that start can be the catalyst for a productive career and becoming a contributor to society rather than be a drain on the public purse. A strong manufacturing base can provide similar opportunities to many Australians who may not have hope for a future, these are the forgotten people of society and they deserve our support, not just another Labor talkfest.

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