Dear PC,

Attached please find my letter dated 2 April 2013 sent to then Deputy Opposition Leader Julie Bishop. After a number of follow-ups, I then sent this material to Sophie Mirabella.

After the election, on the 23 Sept I again sent this material to The Hon Ian Macfarlane. I received a response from Mr Mark Durrant, General Manager Automotive Branch dated the 6 November. That response suggested I refer my correspondence to the PC.

The attached letter explains my views. I have not included any of the references as these will now have been updated and I'm sure you can access the current information. Of course a lot has happened to Auto industry in Australia since the date of my letter – and none of it good!

I was advised by Mr Durrant that "Your proposal may contravene Australia's World Trade Organization and free trade agreement commitments by not treating imported goods on a similar basis to locally-made goods." I find this view very hard to accept. Firstly, from my research, the USA and Germany 'subsides' their Auto industries in excess of \$200 pa per head of population. All other countries that manufacture automobiles subsides to a lesser extent, with Australia below \$20 pa per head. Secondly we are already paying 'subsidies' in any case. My proposal just changes the way that it done. It just provides that the Australia 'Tax Payer' subsides automobiles manufactured in Australia.

I request that you consider this alternative process.

If you require any further information, please contact me. I would appreciate being placed on the ongoing mailing list.

Regards, Mark Smith