

Dear Productivity Commission,

I am 44 years of age and have been involved in automotive components manufacturing in South Australia 20 years. I have two daughters that are school age and attend schools in SA. My life is my business and family and I also spend a lot of time advocating the needs of special needs children in our community.

Holden is the major customer of Carr Components and a shut down of the industry would put at risk the jobs of 100 people directly that we employ to do that work here in SA. We have a large amount of specialised capital invested in the manufacture of these automotive components. This equipment is very specialised and the capacity is not one that can be used for other industries. Hence it is not only the loss of jobs but loss of invested capital equipment.

The auto industry leaving Australia would place a huge hole in the Australian economy. The loss of the skill and technical expertise that the industry brings would not be able to be transferred across other industries as there would not be significant volume to take up all the resources. The flow on effect across other areas such as toolmaking and engineering would mean that these industries would not be able to survive as well. Once these are gone you would not be able to support any other areas of industry as the economy of scale would not warrant the industry surviving. Already we have lost certain skills due to low overall industry volumes things like electroplating and heat treatment are not fully serviced in Australia as industry has been going over the years. This kind of down scaling means that you can not just turn these on when another industry looks to possibly manufacture in Australia. Put this together with the downturn in the needs for Engineers and other skilled employees this would result in a downturn in the need to provide this training and hence less engineers etc would be coming out of the universities once this starts to decline you will lose these skills for ever as it would take a generation to replace it.

We can not express just how critical this is to our organisation a loss of this magnitude would not be recoverable and as such would see this organisation close. The personal cost to myself and other shareholders and the many families that we employ directly and the families of the indirect people that fill our supply chain would be huge. We should be planning to grow this industry in our region not planning to restrict and close it. It is the backbone of manufacturing in any country and as such needs to be allowed to play on a level playing field and not restricted by currency and tariff differences between our country and those of our competitors.

Kind Regards,
Bill Sardelis