

# Media Release

REBEKHA SHARKIE  
MEMBER FOR MAYO



## GOVERNMENT DOES 'CUT AND SHUT' ON AUTO INDUSTRY

Industry Minister Greg Hunt dodged a direct question about the future of the Automotive Transformation Scheme, raising serious concerns that the \$1.24 billion sitting in the ATS will remain unspent instead of urgently saving and creating jobs in manufacturing, says NXT Member for Mayo Rebekha Sharkie.

Both the Bracks Review and a study by Professor John Spoehr of the University of Adelaide have estimated that between 150,000 to 200,000 jobs will be lost once the car making sector closes down by the end of 2017. Hundreds of SMEs in the sector have a potential to diversify to other forms of manufacturing, or build export markets with targeted government assistance and loans.

“Minister Hunt ducked and weaved when questioned specifically about the underspend on the ATS – even when I pulled him up over the relevance of his smokescreen of an unrelated \$155 million ‘Growth Fund’,” Ms Sharkie said today after Question Time.

“The funding he spoke about is piecemeal and not even from the ATS pool of funding.

“We still don’t know whether that \$1.24 billion is available until 2020 and whether the Turnbull Government will allow that money to be used, as promised, to cushion the blow of the Government’s abandoning of Australia’s automotive manufacturing sector.

“This sector needs this money to adapt and innovate, and in the process save tens of thousands of jobs.

“It needs the criteria to be flexible enough to help all associated small and medium businesses to diversify and grow.

“They could do this if they were provided with the means to adapt and the support of their political leaders.

“I am deeply concerned that the ATS is not going to be spent and that this Government is also abandoning its commitment to Australian workers facing an uncertain future in a tough job market.”

Ms Sharkie called on the Government to release the \$1.24 billion in underspend on the ATS and to make the criteria more flexible to support wider diversification opportunities for the motor vehicle industry supply chain and aftermarket product providers.

“South Australia and Victoria are facing a tsunami of job losses and the flow-on effect will hit not only the Centrelink budget, but will have a massive negative multiplier effect throughout the economy, particularly in a smaller economy like SA,” she said.

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