The Future of Australia’s automotive industry

Australia has a long history of excellence in automotive manufacturing, industrial engineering and design. While automotive manufacturing is declining due to announced closures in motor vehicle production in 2016 and 2017, the future of automotive engineering and manufacturing is not in the hands of the car makers alone. Australia will have an automotive industry after 2017; government policy will determine its size and its shape. What is crucial now is that governments act to preserve the capabilities of the automotive supply chain. A redefinition of the industry is also required to recognise and support the role of all sectors, including but not limited to: motor vehicle production; component making; aftermarket manufacturing; engineering and design; servicing and smash repairs; retail motor trades; sales support; and training.

In November 2014, the Senate Economics References Committee was tasked with undertaking an inquiry to develop a policy framework and identify areas where the government could act to assist all sectors of the industry during this period of change. Its final report was issued in early December 2015. While the report canvassed a wide range of issues relating to the automotive sector, an interesting inclusion was a section on Motorsport and Motoring Enthusiasts. Normally overlooked in such reports, its Chapter 5 acknowledged that this is a significant and growing part of the Australian automotive industry and the economy more broadly. Motorsport was also acknowledged as an established platform for innovation, creativity, design and niche manufacturing. Potential was seen in Australia becoming a motorsport leader in the Asia-Pacific region, with the biggest obstacle being access to quality facilities.

The Confederation of Australia Motorsport (CAMS) submitted their desire for a Motorsport Centre of Excellence to develop and train new and emerging driving and engineering talent. The Centre would ideally be based at one of the major existing permanent race track facilities and offer high quality training and development opportunities to expand the number of junior participants. It could also provide courses in the management of motor sport events and training for officials and participants. With an established track record, the Centre could also be used to offer motorsport education, training and innovations to international visitors.

The inquiry report also considered the current Specialist and Enthusiast Vehicle Scheme (SEVS), and a number of problems identified by those involved in this niche market. As a result, the Committee is recommending an independent review of the scheme to ensure it is meeting its stated objectives, that the eligibility criteria for importing is appropriate, and that the compliance processes don’t undermine the integrity of the scheme.

They also recognised significant concern caused by differences between state jurisdictions in relation to the regulation and enforcement of vehicle standards. One submission argued ‘it is lunacy that an Australian vehicle owner can drive a legally certified vehicle in their home state, but then be deemed defective in another’. The inquiry recommends that moves be made to harmonise vehicle modification regulations and adopt a consistent national approach to compliance and enforcement. Read about this in the full report at: http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Economics/Automotive_industry_2014/~/media/Committees/economics_cte/Automotive_industry_2014/Final_Report/report.pdf