

MEDIA RELEASE



**FEDERAL CHAMBER
OF AUTOMOTIVE
INDUSTRIES**

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REVIEW OUTCOME IS CRITICAL TO CAR INDUSTRY FUTURE

The peak organisation representing the automotive industry, the Federal Chamber of Automotive Industries (FCAI), has used the release of the *Review of Australia's Automotive Industry* to highlight the importance of the continued development of a sustainable, innovative and competitive Australian automotive industry.

"The automotive industry urges the Federal Government to carefully weigh the recommendations put forward in the report prepared by Steve Bracks," FCAI chief executive Andrew McKellar said.

"The outcome of this review is critical for the industry's future. We must achieve a framework that enables the car industry to enhance its contribution to the Australian economy and which also contributes to efforts to meet the key environmental challenges which we all face," he said.

"The debate now is not about industry assistance or protection, the Government faces a critical decision about how to secure future innovation and investment which is of benefit to all Australians," Mr McKellar said.

"The car industry is moving to greener, more environmentally-friendly vehicles and there are substantial further opportunities for new technologies to be developed and applied in Australia," he said.

Australia has one of the most open and competitive automotive markets in the world but it faces a number of significant challenges, including the sustained appreciation of the Australian dollar, changing market segmentation, uncertain economic times and the need to contribute to improved environmental outcomes.

“The industry is committed to working with the Government to secure future investment in the design, development and production of vehicles in Australia,” Mr McKellar said.

“We urge the Government to consider all options in framing its response to the review,” he said.

“It is essential that the Government take into account the strategic importance of the industry when it determines future policy arrangements,” Mr McKellar said.

The Australian automotive industry makes a significant contribution to the Australian economy. It is Australia’s largest manufacturing industry.

The automotive industry is also Australia’s largest exporter after mining, generating around \$5 billion in export earnings each year.

The industry is a key source of innovation, design and engineering skills, undertaking R&D investment worth more than \$600 million a year.

“As an industry, we are ready to work closely with the Government to ensure that the nation continues to secure the benefits of a successful automotive industry,” he said.

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