Rebuild at home

By Cam Lucadou-Wells

'Australian Made' should be the catch-cry for a post-Covid economic recovery, says the South East's manufacturers peak body.

Manufacturing was being spoken about for the "right reasons" but governments needed to insist on greater local content in all procurement, says SEMMA president Peter D'Angelico.

Since the pandemic, about 67 per cent of SEMMA's members had a downturn in revenue. About 55 per cent had shed staff.

"Our nation is at the crossroads and Australians are looking to the manufacturing sector to play a major role in the rebuild of our fragile economy.

"To enable the recovery to succeed, people from all walks of life should consider Australian Made and to do that they must change the ill-conceived perception that 'we don't make anything anymore'.

"This could not be further from the truth, we have incredible capability and capacity in this country, particularly here in the South East which. generates 43% of Victoria's manufacturing output."

However, mixed signals are being given to Dandenong's rail manufacturing sector in recent weeks. On the one hand, federal Labor announced a national plan for making trams and trains in Australia.

On the other, the State ALP Government has signed a contract for 65 High Capacity Metro Trains with a Chinese based firm with a reported local content figure of 50 per cent.

Opposition transport infrastructure spokesperson David Davis said the Government allowed local content to drop from the originally touted 60 per cent on the CRRC Changchun Railway Vehicles-made trains.

"Andrews' dodgy Belt and Road Initiative with the Chinese Communist Party is a great deal for China but a terrible deal for Victoria."

Mr Angelico said despite the offshore contract, opportunities existed for rolling stock.

"Australian owned and operated companies are sometimes shut out of the procurement process and it can be a mystery as to how certain purchasing decisions are made.

"The recent announcement of trains being bought in China, to the detriment of the two Victorian based train manufacturers, is a prime example.

"Many of our members are shut out of the supply chain due to poor procurement practices and no amount of industry assistance schemes will help - it's been done to death.

"Manufacturers need more customers, not more consultants."

The Federal Opposition recently announced a national rail manufacturing plan as part of its response to the federal budget.

It would support local workers such as the 400 staff and apprentices employed at Bombardier factory in Dandenong, and create 659 full-time jobs across Australia, local federal MPs Mark Dreyfus and Julian Hill declared in a joint statement.

"This plan demonstrates Labor's commitment to supporting Australian industry, and our belief Australia can be a country that makes things, and Australian workers build some of the best trains in the world."

Isaacs MP Mr Dreyfus said: "It is a sad fact that we have seen a decline in our rail manufacturing industry, with many states and territories importing trains from overseas.

"Labor's plan will change that, ensuring that when there is federal investment in a project we build trains here and support manufacturers around Australia."

Bombardier Australia and New Zealand head of sales Todd Garvey was "encouraged" by the opposition's plan.

"It's important to note that we - Bombardier - do already manufacture trains and also trams here in Australia. Not only this but the trains we build in Victoria are actually exported to other states."

Mr Garvey said a "vibrant" supply chain was involved in the building, welding and fit out of trams and trains. Local content was 69 per cent for the Vlocity trains and about 55 per cent for E-Class trams.

It also runs a "significant servicing and maintenance business" in West Melbourne, Geelong and Ballarat East, as well as an on-site welding school in Dandenong.

The State Government did not respond to the Star Journal before deadline.

