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Auto industry funding backflip is too little too late

The Government's backflip on its \$900 million cut to the Automotive Transformation Scheme is little consolation to the thousands of auto industry workers whose jobs are still on the line.

ACTU Secretary Dave Oliver said the Abbott Government has done everything it can to undermine Australia's auto industry and its workers since coming to office.

"While the government's back flip is a huge win for unions and thousands of workers in South Australia, Victoria and around the country - the reality is that Holden, Ford and Toyota will all still leave Australia by the end of 2017 because of the short sighted decision by the Abbott Government to effectively shut down Australia's auto industry.

"Today's backflip is a reprieve for thousands of workers because their industry should now keep going to 2017 instead of closing any day - but beyond that point, the Abbott Government has no manufacturing policy to secure and create new jobs."

Mr Oliver said unions thank the opposition, crossbench and independent Senators for supporting the auto industry and maintaining pressure on the government.

"If the government's \$900 million cut had passed, it could have seen an early closure of the carmakers, created chaos in the supply chain and put 200,000 jobs at risk.

"Unfortunately, the government's delay means the industry has stagnated during 18 months of uncertainty and inaction.

"As a result, thousands more jobs are at risk in the components sector.

"This inaction and delay by the Abbott Government is a missed the opportunity for the auto industry to change and grow.

"The fall in the Australian dollar would be supporting the components sector to transform and diversify - helping the Victorian and South Australian economies grow and saving thousands of jobs.

Mr Oliver said unions will continue to fight to keep high-skill and high wage manufacturing jobs in Australia and stop the Abbott Government sending them offshore.

"Unemployment is sitting well above 6 per cent - yet the government's only plan for jobs is to send them off shore.

"Unions call on the Abbott Government to deliver a manufacturing policy and plan for jobs." said Mr Oliver.

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