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From: Nigel Bishop [REDACTED]
Sent: Friday, 13 December 2019 11:22 AM
To: Transport and Public Works Committee
Subject: Inquiry into Motor Recreational Activities
Attachments: AAAA Infographic Design_With_Bleed.pdf

Importance: High

[REDACTED] [REDACTED]

Good afternoon,

We welcome the Queensland Legislative Assembly inquiry into the contribution of the motor recreational activities (MRA) to Queensland, and in doing so look at the volume and range of MRAs currently practiced by and available to the people of Queensland.

We note that of particular interest to this inquiry includes:

- a. The economic impact of the motor recreation industry to Queensland, including opportunities to grow the industry to create jobs for Queenslanders;
- b. The contribution of the industry to Queensland's tourism sector and opportunities to grow Queensland's share of the motor recreation tourism market;
- c. The legislative, regulatory and policy framework in which the industry operates in all levels of government, and options for reform;
- d. Options to improve the safety of all industry participants;
- e. The impact on youth training and community engagement from motor recreational activities, including health and well-being outcomes;
- f. The impact of the industry on road safety outcomes;
- g. Challenges facing the industry and the role of government in supporting the industry to continue creating jobs for Queenslanders;
- h. Other issues that arise as agreed upon by the Committee.

The Australian Automotive Aftermarket Association is the national industry association representing manufacturers, distributors, wholesalers, importers and retailers of automotive parts and accessories, tools and equipment, as well as providers of vehicle service, repair and modification services in Australia.

<https://www.aaaa.com.au/>

The Australian 4WD Industry Council – is a non-competitive, specialist council of the Australian Automotive Aftermarket Association. The 4WD Industry Council was formed to provide advice, consultation, collaboration and a strategic approach to current and potential market issues from regulators, governments, 4WD enthusiasts and community groups. We promote professional and responsible activities within the 4WD sector.

Throughout each year, the council hosts networking events around Australia to discuss current and forthcoming regulatory challenges, update members on recent advocacy developments, and to encourage interactivity and promote a sense of community among industry participants. The 4WD Council is a business network for the 4WD Sector. Members must be involved in 4WD parts, accessories, modifications or associated services and must be committed to the future of the Automotive Aftermarket 4WD sector.

To ensure the 4WD Council is driven by the 4WD sector, the governing Committee is elected from the membership, by the membership.

<https://www.4wdcouncil.com.au/>

As the national representative body for automotive 4WD accessories we have an extensive interest in the both the contribution of our sector to the Queensland economy and the impact of government regulations regarding vehicle modification on both the productivity of our industry and the safety of our customers.

You are no doubt aware that the closure and withdrawal of the Australian motor vehicle assembly industry has led to considerable restructure in the Automotive industry. Our industry value add is now concentrated in the 4WD accessory and modification industry and indeed this is an area of growing trade exposure with the US, with Europe and increasingly with South East Asia. You may not be aware that there is a larger cohort of automotive manufacturing in Queensland than in South Australia. The economic contribution of this sector is considerable and when you factor in the mining and defence vehicle production in Queensland, the larger market produces economies of scale is resulting in a growing sector of design, development and production of MRA related components.

Bull bars, recovery straps, opposite lock, suspension modification, and specialist off road products are all growing areas of production in Queensland and this is driven by the large growth in consumer demand. Our products compete on quality and brand reputation rather than price and this has led to a global demand for well-known brands many of which are now based in Queensland

I have attached an infographic providing intelligence on our 4WD and auto manufacturing sector. I am pleased to tell you that In early 2020 we will conduct a comprehensive survey of our 4WD component producers and the fitters of this equipment to establish clearer and up to date data on economic value. We will also be able to provide a comparison between Queensland's MRA sector and the rest of Australia.

In our view the economic potential for MRA in Queensland is impressive and yet there are some clear threats to growth and safety of this industry. The Queensland 4WD sector can certainly be threatened by two very important barriers to growth:

- Government regulations that are not compatible with interstate regulations leaving consumers confused and manufacturers trying to meet differing standards that require alternate designs and cost recovery for small batch volume.
- Lack of skilled labour for both the manufacturing and fitment of 4WD components and vehicle modification.

We would value an opportunity to meet with the Committee – this is a good topic for a face to face discussion and we are optimistic that the Committee could produce some valuable recommendations that could result in a healthy growing industry that finds the right balance between road safety and vehicle modifications for recreational purposes. I look forward to speaking with you further.

Kind regards,

Nigel Bishop

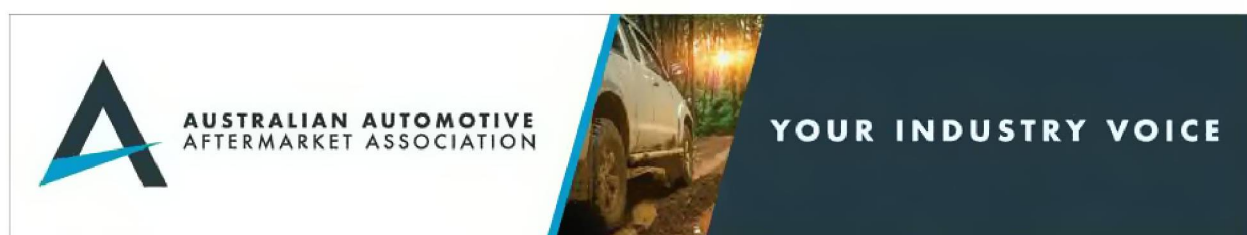
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Convenor 4WD Industry Council**

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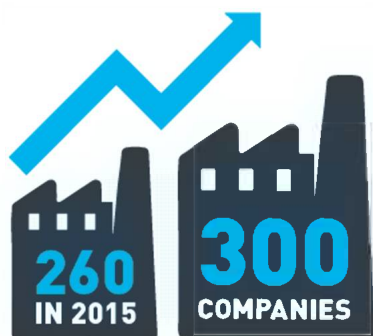


2019

An evaluation of the size, composition and future prospects of the Australian automotive manufacturing industry.

OVERVIEW

With the dust settling in the wake of car manufacturers ceasing vehicle production in Australia, the automotive manufacturing sector has had to recalibrate, but positive signs are emerging.



\$4

BILLION

Combined annual revenue



\$5.2

BILLION

in 2015



A FRESH INDUSTRY START

EXISTING
COMPANIES
PIVOTING

Skilled workers from vehicle manufacturing



STARTING
NEW
VENTURES



Shifting from lower-margin volume operations

TOWARDS INNOVATIVE,
START-UP
MENTALITY

KEY PRODUCT MARKETS

The average company produces parts and accessories for 4 types of vehicles, with 4WD's the most common market.



86%

4WD



70%

PASSENGER
VEHICLES



58%

LIGHT
COMMERCIAL



56%

PERFORMANCE

EXPORT HORIZONS



sell outside of
AUSTRALIA



NZ, U.S & EUROPE
BIGGEST EXPORT MARKETS



Combined industry export value

BUSINESS PRIORITIES



DEVELOPING NEW PRODUCTS AND SERVICES



NEW TECHNOLOGY INVESTMENT



RESEARCH AND DEVELOPMENT



EXPLORE NEW MARKETS



EMPLOY MORE SKILLED LABOUR

INDUSTRY CHALLENGES



AUSTRALIAN DOLLAR



ECONOMIC SENTIMENT



UTILITY COSTS

POSITIVE GROWTH OUTLOOK



With renewed optimism and market adaptation, the automotive manufacturing sector is positioning itself for future success both in Australia and international markets.

