

JOHN HOWARD

PRIME MINISTERIAL LIBRARY

POLICY PERSPECTIVES

NIPPING AND TUCKING — INDUSTRY POLICY UNDER THE HOWARD GOVERNMENT

SHAUN CARNEY, VISITING FELLOW,
SCHOOL OF HUMANITIES AND SOCIAL SCIENCES,
UNSW CANBERRA, JULY 2021



UNSW
CANBERRA

**John Howard Prime
Ministerial Library**

THE JOHN HOWARD PRIME MINISTERIAL LIBRARY

The Howard Library was established by UNSW Canberra in 2018. It works to improve public leadership and policy in Australia by:

- preserving and making accessible the papers of The Honourable John Howard, OM, AC, Australia's 25th Prime Minister, and the papers of Howard Government ministers;
- advancing research in, and informing debate about, public leadership and policy;
- curating exhibitions that introduce Australians to leadership and policy challenges in a balanced and non-partisan way through the experiences of the Howard Government (1996-2007); and
- contributing to the civic education of all Australians.

The Howard Library curates a permanent Exhibition at Old Parliament House in Canberra, and has a Reading Room at the Australian Defence Force Academy (ADFA) Library.

POLICY PERSPECTIVES

Policy Perspectives is a series of occasional papers published by the Howard Library which aims to critically reflect on policy decisions of the Howard Government in order to provide context and perspective for contemporary policy debates, and facilitate discussion among the policy community and the broader Australian public.

DISCLAIMER

The opinions in this report are those of the authors and do not necessarily represent the views of the Howard Library or the institutions to which the authors are attached.

EXECUTIVE EDITOR

Inquiries about Policy Perspectives may be directed to the Executive Editor, Andrew Blyth ([email: a.blyth@adfa.edu.au](mailto:a.blyth@adfa.edu.au))

ISSN 2653-133X (Online)



Shaun Carney is a visiting fellow at the School of Humanities and Social Sciences at UNSW Canberra who has written extensively about leadership, politics and industrial relations since the Melbourne afternoon newspaper *The Herald* first sent him to work in the Canberra Press Gallery in 1979. He is a political columnist with *The Age* and the *Sydney Morning Herald*, and is a former associate editor of *The Age* and columnist at the *Herald Sun*. The author and editor of several books, including *Australia in Accord – Politics and Industrial Relations Under the Hawke Government* (1988), *Peter Costello – the New Liberal* (2001), *The Change Makers – 25 Leaders in Their Own Words* (2019) and a memoir, *Press Escape* (2016), he is also a Vice-Chancellor's Professorial Fellow at Monash University.

INTRODUCTION

The John Howard who first came to prominence on the national political stage in 1977 was a man of policy enthusiasms and strong, orthodoxy-challenging ideological inclinations. Appointed Treasurer in the Fraser government aged 38 and in only his fourth year as an MP, he soon assumed the mantle of being the Australian parliament's most senior advocate for free market economic policies. The Liberal Party, and in particular the prime minister Malcolm Fraser and the Victorian division that had been his political cradle - and which had long dominated the organisation nationally - was not then willing to be converted to Howard's reformist outlook.

Howard in this initial public iteration was a deregulationist in industrial relations, financial controls and industry protection. He favoured the privatisation of public assets and a broad-based value-added tax. By 1982, he had become deputy leader of the Liberal Party and was regarded as, if not the standard-bearer of the Dries, the small but active grouping of Liberal MPs who pushed for free-market policies, then its most prominent fellow traveller.

The defeat of the Fraser Government in 1983 sparked a long philosophical tussle within the party over these policies, especially industrial relations.¹ The essential question was how much of the neoliberal policy agenda, which was being implemented to differing degrees by Margaret Thatcher in the United Kingdom and Ronald Reagan in the United States, should be taken up by the Liberal Party. Accompanying and perhaps characterising this internal discussion was an ongoing struggle for the Liberal leadership, with the Sydney-based Howard and the Melburnian Andrew Peacock vying for supremacy - an echo of the post-Federation contest on the non-Labor side between free traders from New South Wales and Victorian protectionists. By the time the Liberal-National coalition returned to office in 1996, Howard and Peacock had both experienced two periods in the leader's chair (with John Hewson and Alexander Downer also enjoying - if that is the word - stints as leader during the Opposition years). But it was the indefatigable Howard who emerged on top. He saw off Peacock, who resigned from Parliament in 1994, and Howard's 1996 election win was of landslide proportions.

The Dries had prevailed in the party's contest of ideas, or so it appeared. Howard had in Opposition remained an enthusiast for deregulation and the removal of economic policy controls. He had been impressed by some of the Hawke Labor government's key financial initiatives - the floating of the dollar, the opening up of the banking sector. He admired the political courage shown by Bob Hawke, Paul Keating and Labor's long-serving Industry Minister John Button in implementing a progressive series of tariff reductions as part of restructuring programs for the car manufacturing and textiles, clothing and footwear industries in 1984 and 1986 respectively. Workers in these highly unionised industries were, in large number, Labor supporters and it was no small thing for any government to set out to disrupt the employment of some of its own people.

As Treasurer in 1981, Howard had argued unsuccessfully in Cabinet for a cut in protection for the car industry. That time,

Fraser and his Industry and Commerce Minister Phillip Lynch, both hailing from Victoria, where the two biggest car makers Holden and Ford were headquartered, easily had the numbers. Howard lost the argument that time but it was an important moment for him inside his party, helping to distinguish him from the other leading Liberals.² Eventually, the Liberal Party came over to his side on the issue. A little over 10 years later, his viewpoint had become Liberal policy. By then, in 1992, he had won and lost the leadership and was serving as employment and industrial relations spokesman under John Hewson. Howard broadly supported Hewson's neoliberal *Fightback!* manifesto, which proposed a goods and services tax and swingeing changes to workplace laws. All the same, he was discomfited by the unyielding way Hewson pursued some of his policies. One example was Hewson's determination to eliminate tariffs for the car industry. In 1992, in the middle of a recession, industry spokesman Ian McLachlan told the car makers to 'revamp or perish'. Although Keating, as the recently installed Prime Minister, had succeeded shortly before in cutting tariffs, he seized on the Liberal position, warning that it would kill the car industry stone-dead. Keating took to calling Hewson 'Captain Zero'. The seeds of Labor's shock victory at the 1993 election were sown at that moment.³ Howard took note.

However, when Howard took over as Prime Minister it was still reasonable to assume that this reformist would want to attempt something transformative in industry policy because philosophically his party had been catching up with him. The ideological position of Howard's deputy, Peter Costello, the leading Victorian Liberal, contrasted strongly with the most influential Liberals from his state during the party's previous stint in government. Fraser, Peacock, Tony Street and Ian Macphie had been interventionists but now they were gone. In Costello, who made his name before entering politics as a union-busting barrister in the Dollar Sweets case and as a member of the ginger group dedicated to overturning industrial arbitration and wage-setting regulations, the H.R. Nicholls Society, Howard had a Treasurer who favoured dismantling the remaining tariff walls and industry support schemes.

But things did not work out like that. The orthodox expectation, promoted by Labor, that Howard, having at last fulfilled his ambition to be Prime Minister, would be a policy radical on tariffs, turned out to be misplaced because it failed to appreciate his evolution as a politician. When it came to manufacturing and financial support for industries and innovation, Howard

was no revolutionary. In the context of what he had advocated and supported in the past, Howard as Prime Minister could be said to have taken a bold path by overturning those expectations, regularly frustrating his Treasurer along the way, just as Fraser had frustrated him in the previous period of government. Howard did not want to remake industry policy; it was more important to him to keep his government together and to continue to win elections. He was willing to disappoint Treasury and the Productivity Commission as well as economic commentators in the media and quite a few of his ministers, including Costello. As he told me, ‘I’ve always argued that it’s better to be 85 per cent pure in government than 125 per cent pure in opposition.’⁴

Even so, the tag of unreconstructed economic neoliberal was still being applied to Howard 10 years into his prime ministership. When Kevin Rudd succeeded Kim Beazley as Labor leader a year out from the end of Howard’s fourth and final term, he told a press conference that he wanted to be prime minister of a country that still made things – an attempt to exploit a view in many parts of the community that under Howard, Australia’s manufacturing sector had been hollowed out by Chinese imports and a minerals boom. But by the end of the Howard Government’s time in office, manufacturing was not considerably diminished. Employment in manufacturing during the life of the government remained relatively constant, falling by an average of just 0.1 per cent annually. To be sure, there was a decline relative to the rest of the economy. Employment across all sectors rose each year by an average of 2.1 per cent, with big-growth sectors such as health and mining rising by as much as 5 per cent, but for manufacturing this 0.1 per cent annual fall was far from a calamitous decline.⁵ Similarly, the manufacturing share of Gross Domestic Product fell only slightly in the Howard era, from 14 per cent to 11 per cent. A decline in manufacturing’s role as an engine of economic growth and prosperity was a phenomenon across the developed world during this period, with the services sector correspondingly rising in importance. Developing nations, where wages were low, were becoming the world’s manufacturing economies, certainly in low-tech goods.

The Howard Government’s industry policy approach was a combination of steady-as-she goes and managed decline – a great contrast with the more disruptive and assertive approach taken by the next Liberal-National federal government headed by Tony Abbott and Joe Hockey. Constancy at the top was a hallmark of Howard’s administration, with Costello holding down Treasury and Downer occupying foreign affairs for the full four terms. The industry portfolio was little different. It was held by just three ministers and they each retained their positions for full electoral terms; there was no mid-term ministerial chopping and changing. Indeed, Ian Macfarlane held the role for the government’s final two terms, from 2001 to 2007. The first-term minister was John Moore, a moderate Queenslander with good contacts in the business community. In the second term, South Australian senator Nick Minchin, a conservative who had been director of the Liberal Party’s South Australian division prior to entering parliament, took over the portfolio. For the third and fourth terms, another Queenslander, Ian Macfarlane, a rural producer who had been active in commodity organisations, filled the role. Indeed, he later held the portfolio again, in the Abbott Government.

The configuration of the ministry throughout the life of the Howard Government said much about the administration’s priorities and the evolution of the Australian economy under its watch. Moore’s title was Minister for Industry, Science and Tourism. Minchin was Minister for Industry, Science and Resources, and Macfarlane was Minister for Industry, Tourism and Resources. Not insignificantly, Moore and Macfarlane had cut their ministerial teeth in some version of the small business portfolio. So too had Howard. Something else Howard and Moore had in common was that in the first Howard Cabinet, they were the only members with ministerial experience, thanks to their service under Fraser. Howard himself had once held the industry portfolio, in opposition. Five months after being deposed as leader in 1989, he returned to the front bench as the spokesman for industry, technology and commerce – a role he held until the 1990 election.

As Prime Minister, Howard viewed the broader collection of portfolios through the prism of business and economic development and structured the responsibilities of his successive industry ministers accordingly. Minchin reflected in 2020 that the workload in the collection of portfolios had been enormous – this was his first Cabinet post – and that it was a big challenge to give each of the three components of industry, science and resources enough time each week.⁶ Looking back, Macfarlane recollected something similar, but he found a way to deal with it. ‘Whenever I needed to rebuild my enthusiasm, I’d retreat to the resources portfolio, but industry was where all the hard, complicated work was,’ he said in 2020.⁷ This should not be taken as a sign that Macfarlane was a reluctant conscript to the industry, or manufacturing, part of his ministerial responsibilities. In fact, like Minchin, he was a passionate and relentless advocate inside the government for support for Australian manufacturing.

This paper focuses on the ‘industry’ element of the Howard Government’s policies, of which there were two main threads: manufacturing and, as the Government progressed, innovation. It seeks to outline the thinking behind the Government’s evolving approach, as much as possible through the words of several key players.

THE FIRST TERM – OTHER FISH TO FRY

Industry policy did not figure in the 1996 election, because Howard had other fish to fry. In his formal campaign launch speech two weeks before election day, Howard spoke of industrial relations and his desire to encourage a sense of common purpose at workplaces, the Liberals’ hardy policy perennial of the need to cut red tape for small businesses, tax handouts for households, his newborn concern for the environment, and more money for research and the CSIRO. There was only a glancing reference to industry, and that was in an agricultural context, in a story about the cost of the processing and delivery of meat, which he said threatened to deny Australian beef producers the opportunity to provide their product to the Sizzler restaurant chain. It was clear that in the hierarchy of priorities of the first-term Howard government, industrial relations reform would rule.



(Image: Mr Howard attending the 50th anniversary of Holden in Port Melbourne, Victoria, 1998)

In the first term, the only substantial policy change in the industry portfolio was a reduction in the research and development (r&d) tax concession from 150 per cent to 125 per cent, a measure in Costello's first budget, which cut into government programs across the board as part of a government-wide deficit slashing effort. The change in the concession rate amounted to a cut of \$450 million, or more than half of the Keating Government's planned expenditure. Otherwise, existing industry support programs inherited from Keating were variously given financial haircuts or rebadged. The real test was to come in the Government's second year, when Labor's programs in support of local car makers were set to expire.

In 1997, the economy was well into the recovery phase from the early 1990s recession, but job growth was painfully slow. Unemployment was just under 9 per cent and the government was waiting for its Workplace Relations Bill, passed by the Parliament with the support of the Australian Democrats in the closing weeks of 1996, to take effect. Having won public endorsement of the spending cuts contained in Peter Costello's first budget in August 1996 and hamstringing on the tax reform front by Howard's pre-election promise not to introduce a goods and services tax, the government was languishing. It was slipping in the polls and facing criticism from media commentators and the business lobby for what they deemed to be a lack of a longer-term agenda. The government did have big things brewing policy-wise. It was in the early stages of planning for its assault on the Maritime Union's labour monopoly on the nation's waterfront but that was months away. And Howard and Costello were about to announce their intention to propose a goods and services tax at the next election, thus getting around the no-GST pledge: they would seek the voters' approval of the policy first.

Politically, Pauline Hanson had recently announced the formation of her One Nation party, aimed at capitalising on grassroots resentment among low-income males in the regions and outer suburbs who were disaffected by an Australia that was changing socially and economically. Traditional industries were suffering. BHP had announced the closure of its steel-making plant in Newcastle. Across the community, there was great nervousness about the loss of jobs in conventional, big-employing industries. Much of what was going on threatened to undermine the confidence of the blue-collar voters who had voted Liberal in March 1996 – the so-called Howard's Battlers

who had contributed to the Coalition's landslide victory – in the government. The prospect of the Howard era lasting just a single term was being taken seriously. In this environment, embracing and defending a set of reformist measures that would lead to job losses would have required more fortitude than the Howard government was capable of during that second-year slump.

Those external factors go a fair way to explaining the Howard cabinet's first big decision on automotive tariffs in mid-1997. The Productivity Commission's advice had been to reduce tariffs from 15 per cent in 2000 to 5 per cent by 2005. Moore was keen to continue the existing tariff regime. Indeed, he argued for a brief lift in tariffs before a freeze and any future reduction. Costello, always keen to reduce protection, pushed for an annual percentage point cut in the tariff from 2000. Howard wasn't having that; he skewed closer to Moore's position. The Cabinet chose to retain the 15 per cent tariff until 2005, with a reduction to 10 per cent after that. A similar regime would apply to the textiles, clothing and footwear industries. But the decision had not been reached without significant pushback from Alexander Downer, Industrial Relations Minister Peter Reith and Defence Minister Ian McLachlan, who had joined Costello in arguing for a faster tariff reduction. Howard did not want to stand up Moore, a moderate with whom he had shared a bumpy relationship. Moore had played a role in helping to remove Howard as leader in 1989 – an ambush that Howard had found devastating – but by 1993 was backing his reinstatement.

This was the most powerful sign yet that the John Howard who had been a restless Dry in the Fraser government and an unabashed conservative determined to do away with the Liberal Party's traditional corporatism during his first stint as party leader, had moved to a different, more cautious place and was taking his government with him. There had been an earlier sign of this shift in approach with his acceptance upon his return to the leadership in 1995 that the Hawke Government's universal health care program, Medicare, would be accepted by the Liberals should it win office. Howard had opposed Medicare for years. He used his acknowledgement that it was now a fixed piece of policy furniture as a practical example of how much he had changed during his years in the leadership wilderness.

His more pragmatic approach was further underscored by other policy work in the industry area. With help from the Finance Department, businessman David Mortimer produced a report for the Government, *Going For Growth*, in mid-1997, which recommended spending \$1 billion to attract foreign investment, while also abolishing many support programs. The Government paid little heed to the report (although it did repurpose its title years later, fighting the 2007 election campaign under the slogan 'Go For Growth') and at the end of 1997 it issued its response, *Investing For Growth*, which mostly maintained ongoing programs.

Howard's judgement was that his Government should simply follow his Labor predecessors' gradualist direction on tariffs, while focusing on changing workplace relations across the workforce but with specific reference to the waterfront, and taxation. There were also political considerations to be taken into account. 'I certainly came to the position with a view that

to the maximum extent that was feasible – I use that word deliberately because there are always constraints on an ideological direction in government policy - you always have to engage in a bit of nipping and tucking, otherwise you lose control of events, and if you lose control of events, you've lost the long-term policy battle,' he said. 'I saw the government as one that should continue the low-tariff policies of the former government. I thought that the most courageous thing the Labor Party did in government under Hawke – and Keating obviously supported it but most of the major decisions were taken while Hawke was there – was their position on tariffs.'

Howard knew the decision on the motor manufacturing industry would disappoint the Productivity Commission and Treasury. 'I don't back away from my decision on the car industry then. It was our first big industry policy decision. I just thought it was an example of where you had to keep going forward but you had to be careful,' he said. 'We took a realistic step towards lower protection. And I think that was a symbol of what we continued to do. We gave help on occasions when I suppose the purists would have said we shouldn't have. On the other hand, we had to pay some regard to the dependence of communities such as those in South Australia on the motor car industry. I was always aware of the history of clusters in the country – the motor car industry in South Australia and, say, the sugar industry in Queensland. The motor manufacturing industry was a large employer – disproportionately so in South Australia and to some degree in Victoria – and the component industry was significant all around the country. Its influence in South Australia and Victoria had to be remembered because so much of South Australia saw the motor car industry tied to their prosperity.'

The South Australian presence in the first Howard Cabinet was the highest since Federation: four of the 15 ministers hailed from the state. Two of that quartet, Downer and McLachlan, were free traders, while the others, Robert Hill and Amanda Vanstone were pro-intervention party moderates. Howard's inclination was to come down on the side of the interventionists, while also continuing to back a slow and gradual withdrawal of support. Nowhere was this better demonstrated than with his decision to hand direct ministerial responsibility for manufacturing to a fervent South Australian in Minchin to succeed Moore after the 1998 election.

But these decisions were made in the context of other policies. Individual contracts for ordinary workers, aimed at weakening the power of the unions and their peak body the Australian Council of Trade Unions, had been legislated in late 1996 and were set to flow across the workforce. After the car industry decision, the Government launched a full-on attack on unionised labour on the waterfront in late 1997 and early 1998. The waterfront dispute was remarkable in its ambition, involving attempts to replace entire workforces with non-unionised labour at some sites, unprecedented degrees of security and secrecy, and union and community pickets on a massive scale. Lasting nine months from the first actions to settlement, it was truly Australia's last great blue-collar industrial dispute. While the Government did not succeed in killing the Maritime Union of Australia, it did win productivity improvements and reduced the union's power.⁸

'So much of what we did in the industry policy area was influenced by the stance we took on industrial relations. We took the view that a lot had to be done on that front to break the abuse of the monopoly power of unions in particular sectors and we felt that if we were successful in freeing the industrial relations system, we would produce a more effective manufacturing industry,' Howard said. 'We were aware that manufacturing was facing the problems that faced manufacturing industries in all developed countries, including competition from lower-wage nations and that was quite acute for us because of our proximity to the Asian region. We knew that doing something on the waterfront would help the manufacturing industry as well as the rural sector.'

THE SECOND TERM – THE EMBRACE OF INNOVATION

With the Government's re-election achieved in 1998 and, crucially, a mandate for the introduction of a goods and services tax as part of a broader revamp of taxation packaged up as A New Tax System, the Government had more freedom in its second term to upgrade and modernise its approach to industry. It had gone to the election with a pledge to convene Australia's first government-sponsored innovation summit. The pledge had not come out of thin air. In opposition, the coalition parties had been dismissive of the Keating Government's innovation policies and had not been especially interested in talking up the issue in its first two years. The scientific community and sections of the business community had been dissatisfied with the government's lack of attention to innovation and the r&d tax concession cut and were pushing for more action.⁹

It was Minchin's job to oversee the development of a new innovation policy. In elevating Minchin to Cabinet and appointing him to the industry portfolio, Howard knew what he was getting. Minchin recalled, 'I'd lived in South Australia since 1985, when I went there as director of the state division of the Liberal Party, and was elected to the Senate in 1993, so when I came to the industry portfolio, I'd spent the previous 13 years very conscious of the importance of manufacturing certainly to South Australia and Victoria but also to Australia. And the interesting thing is that if you do represent a state like that, you have a quite different perspective to a state like Queensland or New South Wales or Western Australia. I did come into the portfolio with just that sense of how critical our manufacturing industries were in a way that others didn't.'



*(Image:
Senator the Hon Nick Minchin)*

While Minchin had supported the Government's budgetary constraints imposed in its first term, he was also mindful that industry policy had been 'the focus of fairly significant attack ... But the reality that I quickly discovered was that the three central agencies – the departments of Prime Minister and Cabinet, Treasury and Finance – were at that stage quite hostile to the industry portfolio and industry policy. And my good friends Peter Costello and John Fahey as treasurer and finance minister both saw much of industry policy as fair game. John Howard on the other hand was a very pragmatic and supportive prime minister. He really did have his finger on the pulse and would come in when needed to make sure things weren't gutted.'

As he oversaw the portfolio, Minchin found the antagonism from some colleagues 'frustrating because it was clear that key officials in those three central agencies not only had contempt for most industry programs but little understanding of them too. The expenditure review committee was an awful experience from that point of view, having to explain what the programs were and what they did, because both ministers and officials didn't seem to have a clue.' He said there was never a moment as Industry Minister that he could afford to relax. 'In that area, you're fighting bushfires all the time, with other programs under attack. You know, r&d was really difficult. One of the things the Government had done in the first term was to cut the r&d tax incentive from 150 per cent to 125. It didn't understand that the effect of that was to halve r&d tax expenditure. They didn't understand how the mechanics of how these things work.'

Above all, Minchin's task was to establish a policy and funding framework that would tie in the country's science, engineering and technology base to industry and government. In February 2000, in partnership with the Business Council of Australia, he convened the National Innovation Summit and the recommendations from the summit were contained in a report later that year, *Unlocking the Future*. One of the first pieces of business of the Government in the election year of 2001 was the release of the integrated policy response to the summit, *Backing Australia's Ability - An Innovation Action Plan for the Future*. The package of measures was costed at \$2.9 billion over five years. The Government's stated aim was that this public spending would underpin business and research organisation expenditure of approximately \$6 billion. Included was an additional \$1.4 billion for Australian Research Council competitive grants and research infrastructure, as well as boosts in funding for research in biotech, communications and information technologies, extra university places in science and maths, and more spending on national research facilities. Significantly, Minchin made progress on the r&d tax front, with the provision of a premium rate of 175 per cent for additional R&D activity, and a tax rebate for small companies.

Backing Australia's Ability formed the foundation for industry and innovation policies for the remainder of the Howard era. Howard's retrospective assessment of the package of measures was that it brought coherence to the innovation effort and put the nation's understanding of industry policy, which had been restricted to tariffs and the car industry, into a more contemporary, research- and technology-based context. Minchin was relieved to have got the package past the Government's departmental and ministerial gatekeepers. 'I did a huge amount of work pulling that Innovation Summit

together. I think it was a success and it enabled us to build on that to put together the Backing Australia's Ability program, which had to run the gauntlet of Treasury and Finance, but the Prime Minister was very locked into it.'

A chief benefit accruing to an embattled industry minister was that the summit drew in other parts of the Government. 'It had brought in not just my portfolio but the communication portfolio under Richard Alston and the education portfolio under David Kemp. They were both senior members of the government – more senior than me – and the combination of the three all supporting each other, and the respective elements of the package, was really critical to getting it through and getting it appropriately funded and supported. That was the key thing.' This spread of responsibilities and obligations would also prove important in sustaining *Backing Australia's Ability* architecture in the Government's two subsequent terms in office.

Minchin found himself unusually positioned within the Government: he was a renowned conservative but his conservatism and commitment to free market economic policy was viewed through a South Australian prism. 'As a senator for South Australia, the car industry was very dear to my heart and it led to an ongoing and amusing battle between me and Costello, who kept saying 'I thought you were a free trader, Nick, but you're a bloody protectionist when it comes to the car industry!'. Essentially, I'm a conservative, not essentially a protectionist. But I took a more, I suppose, nationalistic approach than some of my more free-market colleagues towards what I described as critical or strategic industries, as I still think the vehicle manufacturing industry was, and oil refining, aluminium, all those sort of things. We all banged on about the processing of raw materials, which means oil refining and aluminium smelting, but when it came to understanding their significance to the economy and to our strategic situation, frankly, I was disappointed in the attitude of a lot of my colleagues, who didn't understand the importance of that,' he said. 'I argued strongly against the hairy-chested, 'let it rip and the market will decide' attitude. That to me was incredibly unsophisticated and took no account of our strategic situation and the fact that certain industries could be regarded as essential.'



(Image: The Honourable Nick Minchin serving as Australia's Consul-General in New York. See end for more detail).

THE THIRD TERM – A PARTNERSHIP FORMS

Having established the innovation agenda, Minchin was promoted after the 2001 election. He succeeded John Fahey, with whom he had regular spirited discussions over government support for manufacturing, as Finance Minister. This provided a little bit of comfort for Minchin's replacement in the Industry portfolio, Ian Macfarlane – at least Macfarlane would only have to have the in-principle arguments over spending programs with Costello. Macfarlane was a relatively new entrant to parliament, having taken his seat at the 1998 election. He had been mentored by Moore, his fellow Queenslander, who had retired from the Parliament earlier in 2001. Macfarlane could barely believe his good fortune in being elevated to Cabinet rank after just three years as an MP. 'I can still remember when John Howard rang me to offer me the portfolio, the spot where I had to pull over in my car when I took the call. I was completely blown away because I just thought 'what a great portfolio'. I suppose I had a sort of romantic idea about the portfolio of industry and resources. To go into cabinet and hold what would have been in the past the business portfolio was great. It wasn't a super portfolio but gee, it got close. And it was full of challenges,' he said.



(Image: former Industry Minister, The Honourable Ian Macfarlane addressing Parliament)

One of Macfarlane's first challenges was to ensure that he secured the appointment of a department head who had a deep understanding of business and to achieve that, he was willing to make an unorthodox choice: Mark Paterson, the chief executive of the nation's leading employer and business organisation, the Australian Chamber of Commerce and Industry. Bringing someone in at that level from the private sector was exceedingly rare. 'I was lucky to get Mark Paterson as department head. It wasn't all luck. I was first offered another person that John Moore advised me not to accept. I remember my discussion with (secretary of the Department of Prime Minister and Cabinet) Max Moore-Wilton and he told me 'Minister, you're being consulted but that doesn't mean you get a choice,' and I said 'Well, Max, I'm not going to accept that. I want someone who actually knows something about industry in particular because it's such a fraught field', Macfarlane said.

Paterson was an enthusiastic conscript. His time as the head of ACCI had coincided with the Government's first two terms and he had understood Howard's prioritising of taxation and industrial relations reform in those early years of office. Those policies, along with developments in trade and the waterfront changes, were also among ACCI's priorities. But

he admits to having been critical of what he regarded as a lack of coherence in its industry policy in that time and was keen to find efficiencies in policy design and delivery. He also carried no baggage because he had not been part of the bureaucratic machinery. 'I wasn't constrained by the history,' he said. 'On some occasions I was told within the department that something I wanted to try couldn't be done. But it would turn out that it wasn't that it couldn't be done, it was that it hadn't been done.'

Having headed a national organisation made up of sectoral bodies from all states that variously represented manufacturers and service industries, he also brought up-to-the-minute knowledge of the interdependencies within Australian business. He too had seen around the ACCI table that geography influenced the way tariffs were discussed. And while Paterson, like the main players in the Government, was by nature inclined towards the operation of free markets, he saw value in pursuing a cautious approach to the withdrawal of financial support so that industries, and more particularly efficient and innovative businesses, could transition gradually towards a more self-reliant operating stance. For example, on the domestic automotive sector, he was not critical of the 1997 Cabinet decision to push tariff reductions off into the future. Nor was he uncomfortable with the \$3 billion Automotive Competitiveness and Investment Scheme of which that decision was part.

Through his prior position with ACCI, Paterson understood that the industry was much bigger than the major car companies; it included component manufacturers, designers and engineering services, all of which were significant contributors to Australian manufacturing generally through technology and skill transfers and supply chain flow-ons. 'We got other sectors in part because of the skills where critical mass came forward. I think we would have a different medical devices industry now in the absence of the automotive industry,' he said. 'I think there were design and engineering skills in the marketplace that enabled some of those other industries to develop that might not have developed in the same way. All of these things are complex interactions, and you can't say one is a direct result of the other, but there's no doubt that the engineering and design skills that came about as a result of the auto industry did have flow-ons, and they were part of the arguments that were going on at the time as to why the government should continue to remain involved in the auto industry. Everything is connected to everything else. People look at these things in silos but in reality, they're not. Having a prime minister who saw beyond the silos meant that there were decisions taken that were in the long-term interests of the nation.' Paterson credited Howard's 1997 appointment of Arthur Sinodinos as his chief of staff as vital to maintaining the Government's 'economic consistency' thanks to Sinodinos' understanding of the relationship between the Liberals and the National Party and the ability to 'get the best out of people. He brought people with him'.

Macfarlane was pleased with his choice of Paterson. 'It was a very good match and we got on very well. Mark was very good. We travelled overseas together a lot. He had a commercial approach, which I don't think I would have got from a career bureaucrat,' he said. 'Secondly, he was respected by industry because he'd headed ACCI and back then the chamber had a very high profile, perhaps not the profile it has now. He had

good contacts and he did understand the evolving nature of globalisation and he was a free marketer. We both were, but he understood the implications of that and perhaps he was more of a purist than I was but that was only because he was the departmental secretary and I was the minister and I had to supply the politics. He got the politics as well, of course. It was a very trusting relationship. We spent a lot of time going out to factories and having informal meetings with people. We were always on the road. My advisers used to dread taking me to factories because as a farmer I'm intrigued by machinery and I'd spend a lot of time asking questions and people were only too happy to answer them. The schedule always went to hell.'

Macfarlane said that when he began as Minister for Industry, Resources and Tourism, Howard had made it clear he expected the car industry plan forged in 1997 to continue. In the industry portfolio, putting together a new iteration of the Automotive Competitiveness and Investment Scheme would be Macfarlane's first big piece of work. He consulted Minchin and Moore and concluded that the next version needed to increase the emphasis on the component sector and on innovation via new spending on r&d. But he knew that the money he would need for the package would not come easily because there would be pushback from Costello, whose remit was to keep a tight rein on budget spending. This was at a time when, thanks to the nascent mining boom built largely on increased demand from China for Australia's raw materials, economic growth was strong. In 2002, GDP grew by 4 per cent. In a memoir published in 2008, Costello recounted his frustration during the Government's final two terms as the substantial growth in receipts encouraged a relatively relaxed attitude to increased spending on the part of his Prime Minister.¹²

Although new to the Cabinet, Macfarlane came prepared for the spirited discussions with Costello. 'The one piece of advice John Moore gave me was that it was the industry minister's job to fight with the treasurer. Peter and I had a very good relationship, so our fights were on a professional, no-slanging-match basis, but he was a free marketer. To be honest so am I. I'm very much a free marketer,' he said. But there was a point of difference, based on Macfarlane's pre-parliamentary time as an office-bearer with the National Farmers' Federation. 'I had the background experience of being defeated on the floor of the NFF 32 to one as a council member, because I opposed what (president) Graham Blight called the 'tops down policy' that he was proposing. That was that if we dropped tariffs, other countries would drop tariffs. I was a peanut, soya bean, sunflower grower along with wheat, barley and everything else. We lost all our tariff protection, and we lost the superphosphate bounty, and no other bastard did anything. So I'm a free marketer but you need everyone in the market: if they're subsidising, then you subsidise. If they've got tariffs, you have tariffs. That was my view on the car industry. Peter had a much more pristine view. That was valid. He got the politics. But Howard was really hot on manufacturing. He was determined that we would have a manufacturing industry, including pharmaceuticals, which happened to be in his electorate. I had Howard on my side, and I had Minchin on my side. With Peter Costello it was always a contest. I think Costello understood how important the car building industry was – not just Toyota and Ford but also the component industry. John Howard used to say in a cabinet of 18 he had 18 votes, so whenever it came to the crunch we always got there. We might have to scrap

away and change a few things but in the end we got there.'

In his first term as industry minister, Macfarlane produced two important industry policy packages, both of them aimed at sustaining the architecture constructed during the Government's first five years: a new iteration of the Automotive Competitiveness and Investment Scheme and the second version of Backing Australia's Ability. The car industry plan, released in December 2002, promised \$4.2 billion over 10 years, and a staged series of cuts in tariffs. After falling from 15 per cent to 10 per cent in January 2005, tariffs on cars and components would remain constant until January 2010, when they would fall further to five per cent. Macfarlane's press release announcing the plan was titled A Decade of Certainty for the Automotive Industry. Demonstrating the Government's determination to frame its industry policies as an extension of existing settings, the release carried a graph showing that Australian automotive employment had remained relatively steady since the early 1990s as tariff protection had decreased.

But the general consensus upon which Howard and his industry ministers had built their automotive support policies was starting to break up within the community. A newspaper report on the updated plan began, 'Taxpayers have come to the rescue of the car industry again, funding a \$4.2 billion assistance package and paying inflated prices for cars to protect local manufacturers'. The report carried criticisms of the policy from the National Farmers' Federation, which was not surprising. But the Australian Consumers' Association's spirited attack on the domestic manufacturers over the prices of cars reflected signs of consumer unhappiness that would later be reflected in falling sales of locally produced vehicles. The association's spokesman was quoted thus: 'Consumers are propping up an industry that is out of touch with the rest of the world.'¹³

The second stage of Backing Australia's Ability would come in 2004, closer to that year's election. At \$5.3 billion over five years, set to apply from 2006, it was substantial, but less generous than its first iteration relative to its proportion of the gross domestic product. Still, it was not secured without a considerable negotiation within the Government, which Macfarlane described as 'an interesting discussion'. 'When we started, we walked into the Expenditure Review Committee and Peter Costello said 'This is how much money I'm giving you' and we got up and walked out. Literally. And then the discussion started with the Prime Minister's office. I said 'Do you want innovation or don't you? Do you want to excel in medical research and university research? Do you want to back Australia's ability?'. We ended up with a substantial sum of money spread across the portfolios. While Costello was wanting to prune the budget and all the things treasurers want to do, in the end he saw the value of innovation and put money into it with the encouragement, for want of a better word, of the Prime Minister. It was always a tussle. John Moore's words were ringing in my ears.'

Macfarlane during this third term also was deeply involved in the formulation of the Government's energy white paper, *Securing Australia's Energy Future*, a substantial piece of policy work which was itself a sign of the gradual shift in the nation's emerging policy priorities. It was issued in June 2004 in response to the increasing global and domestic discussion

about how Australia should, as a substantial coal producer, respond to climate change – itself a vexed and controversial issue within the Coalition parties. The paper, which had the backing of Howard, proposed a \$500 million fund to encourage research to put carbon dioxide emissions underground and a further \$134 million for renewable energy research. Even as Macfarlane was charged by his Prime Minister with largely holding the line on manufacturing support, he was obliged to engage with changing objectives in his other portfolios, although the white paper's proposals were seen as disappointing by Australia's renewable energy sector.

THE FINAL TERM – HOLDING THE LINE

During its final two terms, the Government's goal was to hold overall employment numbers in manufacturing, retain the four domestic car makers - Holden, Toyota, Ford and Mitsubishi – and the adjacent component sector, and encourage more sophisticated manufactures and greater involvement in global supply chains. At the same time, it was accelerating the transition to an economy that would become more deeply involved in free trade agreements and the development of China. Paterson's assessment was that during this time the big policy choices were in the resources sector and in energy, with a lot of the Government's attention focused on getting into the Chinese market, especially in resources, education and tourism. He nominated the development of the gas and oil fields of the North-West Shelf as an important economic inflection point for Australia, with special relevance to the relative decline of the domestic manufacturing sector. With Macfarlane, he shared administration of a transitional group of portfolios, with resources and tourism and, to a lesser extent, sophisticated research on the rise, while traditional manufacturing was on a steady decline.

Macfarlane's view is that there were some wins on the sophisticated manufacturing front. For example, within the aerospace industry, with Boeing's Australian arm making the trailing edges for its 787 craft, and the development of fibre composites. Grants he gave to software developers meant that three-quarters of the software used in the mining industry globally was created in Australia, along with some hardware. 'We could do the sophisticated stuff like the software and the moulds and welding stuff and make the machinery. We still can; we still have a sophisticated manufacturing industry,' he said. But gaining substantial footholds in global supply chains became increasingly difficult as China expanded its technical capabilities. The failure of the Australian car industry to export its products exacerbated the problem.

He nominated a free trade agreement with Thailand, signed in July 2004, just months ahead of the Howard Government's final election win, as being illustrative. 'I remember vividly arguing with John Howard. I took the call outside and I was standing on my front lawn. (Trade Minister) Mark Vaile had decided we were going to sign a free trade agreement with Thailand and I said that will have a huge impact on our (car) industry and of course it did,' he said. 'We saw a flood of these front-wheel drive cars coming down – Mazdas and Hondas and everything - made in Thailand. They came down here tariff-free and then when we tried to send the (Holden) Caprice for sale to Thailand, the Thai government introduced a registration fee for cars with more

than two-and-a-half litres capacity and of course those cars had a 3.3 litre capacity. We got no reciprocal trade, and really when you look at Australian industry and the car industry, we didn't get to export our product. It's the old saying: it doesn't matter whether you're a farmer or a manufacturer, if you're not growing your sales, you're dying.' Macfarlane described the FTA with Thailand as a catastrophe for the Australian car industry.

Reflecting on his time as John Howard's industry minister, Macfarlane expressed some disappointment with his results on innovation. 'I didn't get innovation where I wanted it to go, which was a more collaborative approach from the universities, and I tried it again under (Tony) Abbott and still didn't quite get it there, and it's still not there but it's getting better,' he said. 'In terms of industry, could I have done more? Well, I don't know what it was I could have done more of. I went to Detroit and tried to get export access for our cars. I was fighting hard and pushing hard up against a globalisation of industry in the world, free trade agreements, and a growing view that Howard's demise was coming one way or the other. People believed he was on borrowed time; they didn't believe he would be there for all of the next term (in 2007) if we happened to win it.'

Paterson's assessment is that the Government got industry policy right, fundamentally because of Howard's consistent philosophical approach. 'He remained on a relatively steady course. His broad philosophical underpinning never really wavered. That's what people wanted. They don't want vacillators. Over time, it was set up in the right way. A lot of what governments do continue irrespective of who's in charge. And the emphasis is on the difference, not on the things that continue,' he said.

The Howard Government's aim in industry policy was for transition, not disruption. It achieved this. Howard's judgement is that his industry policy served its purpose. Tariffs and other forms of government support were gradually going down and would not be going up; the watershed moment had well and truly passed. The textiles, clothing and footwear sector, which had been on the way out since the Whitlam Government had cut tariffs by 25 per cent, was slowly being put to sleep. The four car makers were still producing vehicles. There were coherent attempts at innovation policies that tied together schools, universities, research organisations and business. Howard believes the numbers told the story of the wisdom behind his approach. 'At the end of our term in government, we had a pretty good record. Unemployment dipped to 3.8 per cent in the March quarter of 2007. Real wages had risen by a very large amount and industrial disputes were down,' he said. 'At the end, the goal of industry policy is to maintain viable businesses that could afford to pay people decent wages. There'll be endless political debate about cause and effect, and what policy and what government produced the outcome, but the purpose of industrial relations or industry policy is to provide secure employment, good wages and few industrial disputes.'

But Howard did make one big, crucial disruptive policy foray in his fourth term: the industrial relations package his Government called WorkChoices. Developed after the 2004 election win, the initial iteration of WorkChoices did not contain the no-disadvantage test that had been an essential part of

the Government's first-term industrial relations legislation. The test had provided a safety net for workers, ensuring that if they moved from an award or enterprise agreement to an individual employment contract they would not be worse off. The initial removal of the no-disadvantage test rendered WorkChoices wildly unpopular with the public. Howard recognised this a few months after the policy came into force and reinstated the test, but the damage was done: WorkChoices harmed the Government's electoral standing and played a big role in the Coalition's defeat at the 2007 election. Howard lost his seat of Bennelong at the election.

POSTSCRIPT – DISRUPTION COMES AT LAST

The Labor Government that succeeded the Howard Government did not last long: just two terms inside less than six years, first under the leadership of Kevin Rudd, then Julia Gillard and then Rudd again. On taking office in 2007, Rudd appointed one of his strongest caucus backers, Kim Carr, as Minister for Innovation, Industry, Science and Research. Carr retained Mark Paterson as department secretary, a post Paterson continued to hold until 2011, when he took up a position within the New South Wales bureaucracy. Carr was an influential member of Victoria's Socialist Left faction, a grouping that included the big manufacturing unions, and was devoted to maintaining the domestic car industry. But Mitsubishi closed its manufacturing operations in 2008, and in May 2013, with Carr no longer in the industry portfolio under Gillard, Ford announced its intention to leave Australia too. Nick Minchin retired from the Senate in July 2011. Ian Macfarlane remained on the Coalition frontbench during the opposition years and when the Abbott Government was elected in September 2013, he resumed his ministerial career as the Minister for Industry.

Same minister, but a dramatically different government when it came to support for manufacturing, and especially the automotive sector. With just General Motors and Toyota still making cars in Australia, the industry was viable because the economies of scale would continue to work for components suppliers. But not if either company decided to go. The Productivity Commission was inquiring into the car industry and due to report its findings in March 2014. Tony Abbott and his Treasurer Joe Hockey were not willing to wait. Nor were General Motors top executives in Detroit. They wanted to keep making Holdens in Australia but could see that this new Prime Minister and his Treasurer were not interested in providing support in the way that the Howard Government had been, even if its Industry Minister in Macfarlane was. Hockey, who had been Macfarlane's junior minister in the final years under Howard and had not enjoyed that subordinate role, was now the one holding the senior rank.¹⁴ On December 10, 2013, he taunted the company on the floor of the House of Representatives, telling it to 'come clean' and be 'fair dinkum'. 'Either you're here or you're not,' he said.¹⁵ Within hours, General Motors announced its intention to close its vehicle manufacturing operations in Victoria and South Australia. It was the end of car making in Australia. Toyota had no choice but to draw stumps too. In February 2014, it announced its intention to close its local factories in 2017.

Mark Paterson was not surprised. 'I thought that day would come. There was an inevitability about it,' he said. Macfarlane knew there were problems in the industry, especially because of the failure to build export markets for the Australian product and what he regarded as patchy productivity in the industry. He was also aware that General Motors was rethinking its commitment. But he described Hockey's intervention as a 'catastrophe'. 'Joe had this idea that he could balance the budget by going for the throat of the car industry. And it was one of the stupidest pieces of policy work I've ever seen, driven a little bit by the Dries – (Assistant Minister for Infrastructure and Regional Development) Jamie Briggs actually put a knife through the industry in his own state. South Australia relied on the car industry, it was a major industry. I mean, cars everywhere were being made that were in one way or another being subsidised by governments. No-one built a car by themselves. It didn't matter where it was – South America or the US,' he said. Macfarlane felt the difference of attitude from his days under Howard's leadership every day. 'I didn't get the support. Joe was an acolyte of Peter Costello's. (Abbott's chief of staff) Peta Credlin was dry as well. I was up against (Finance Minister) Matthias Cormann, who's very dry too. So it wasn't really a contest in 2013.'

Minchin was more forthright in his reaction, describing the Abbott Government's active participation in precipitating the closure of the car industry as 'a terrible moment' that he found distressing. 'The Government should have allowed that process to work its way through, to let the Productivity Commission assess its findings and make a sensible decision on the next iteration based on the national interest, realpolitik and the economics but that was completely destroyed by utterly irresponsible behaviour by certain members of the Abbott Government,' he said. 'I think that was tragic, because even if you had gone through that whole process and decided that you can't keep on supporting the industry, you'd have had a much more sensible approach to how you seek to maximise the industry's capacity to survive without that level of support – the transition arrangements and all the rest of it. How do we keep a components industry viable without the local manufacturers – all that was gone. That's what I felt very sad about.'

'Australia did so much over many, many decades to build a world-class car manufacturing industry and we just basically threw that to the wolves. And look, fortunately the economy and states like South Australia have been able to cope better than I thought would have been possible. The loss of GMH from Adelaide was a massive blow to our economy but it hasn't been as bad as it might have been. Then again, because of that, there was this overreaction that because of destroying the car industry the Government felt this obligation to do things to help South Australia. So you get this submarine fiasco as part of an overreaction to compensate for putting the state in an incredibly vulnerable position. Now, instead of what were relatively minor programs of assistance to the car industry – the industry actually got far less than agriculture got but people didn't understand that – we're spending billions to make subs in Adelaide.'

The 'submarine fiasco' was the program to build 12 Attack Class subs at Adelaide's Osborne shipyards, announced by Prime Minister Malcolm Turnbull a few weeks before he called the 2016 election campaign. The original estimate was that

the project would cost \$50 billion and create 2800 jobs.¹⁶ By the beginning of 2021, there had been milestone delays in the project, which now carried a rejigged price tag of \$89 billion.¹⁷ After a long negotiation with the French ship builder Naval Group, which had been awarded the contract to build the subs, the Morrison Government announced in March 2021 that it had reached an agreement on the timetable and scope for achieving 60 per cent local industry content for the project, which will not be completed before the early 2050s.¹⁸ There seemed little substantive difference between this arrangement and the government support programs provided for the domestic car industry.

Howard saw the closure of local vehicle manufacturing as a natural part of the evolution of the Australian economy, despite his efforts to keep it going as Prime Minister. 'With the motor car industry, I believed that we could creep forward and take people with us,' he said. 'Now, did that prolong the industry in Australia? Maybe it did. I think the final result would have been achieved. I think the Abbott Government took the right decision in relation to that. It was a pity but it's just part of the reality.'

Seasoned warriors know which hill they want to die on. For John Howard, his hill was marked 'industrial relations', not 'industry'. Asked if he now had any regrets about his Government's industry policy performance, he gave a prompt response. 'I'm not into regrets,' he said and then, after a pause, volunteered one: the removal of the no disadvantage test in the original version of WorkChoices.

¹ Shaun Carney, *Australia in Accord – Politics and Industrial Relations Under the Hawke Government*, Sun Books, Melbourne, 1988, Chapter 6.

² John Howard, *Lazarus Rising*, HarperCollins, Sydney, 2010, p. 121.

³ Paul Kelly, *The March of Patriots – The Struggle for Modern Australia*, Melbourne University Press, Melbourne, 2009, p. 106.

⁴ Author interview with John Howard, 11 November 2020. All quotations from John Howard are drawn from the interview, unless otherwise noted.

⁵ ABS, 6291.0.55.003, Employed persons by industry division and status in employment of main job.

⁶ Author interview with Nick Minchin, 14 December 2020. All quotations from Nick Minchin are drawn from the interview.

⁷ Author interview with Ian Macfarlane, 24 December 2020. All quotations from Ian Macfarlane are drawn from the interview.

⁸ Shaun Carney, 'The waterfront dispute: high-risk industrial relations reform' in *Back From the Brink, 1997-2001 – The Howard Government, Volume II*, Edited by Tom Frame, UNSW Press, Sydney 2018

⁹ Evan Jones, The Evolution of Industry Policy Under Howard, paper presented to the symposium 'A Decade of the Howard Government', Sydney, 23 February 2006.

¹⁰ Author interview with Mark Paterson, 30 November 2020. All quotations from Mark Paterson are drawn from the interview.

¹¹ Australia GDP Growth Rate 1961-2021. www.macrotrends.net. Retrieved 2021-03-18.

¹² Peter Costello with Peter Coleman, *The Costello Memoirs*, Melbourne University Press, Melbourne, 2008.

¹³ 'Taxpayers come to rescue of car manufacturers', *Sydney Morning Herald*, 13 December 2002.

¹⁴ Madonna King, *Hockey – Not Your Average Joe*, University of Queensland Press, Brisbane, 2014, p. 294.

¹⁵ Mark Hawthorne, 'Taunts in Parliament and text brought about General Motors Holden's exit from Australia', *The Age*, 12 December 2021.

¹⁶ Anna Henderson, 'Australian submarines to be built in Adelaide after French company DCNS wins \$50b contract', ABC, 26 April 2016, <https://www.abc.net.au/news/2016-04-26/pm-announces-france-has-won-submarine-contract/7357462?nw=0>.

¹⁷ Angeliqe Donnellan, 'Australia's Attack Class submarine project faces criticism over rising costs and milestone delays', ABC, 20 January 2021, <https://www.abc.net.au/news/2021-01-20/australia-attack-class-submarines-project-costs-delays-criticism/13074440>.

¹⁸ Greg Sheridan, 'Subs builder Naval Group agrees to terms of local content', *The Australian*, 22 March, 2021.

**When asked about the vehicle in the picture, Nick Minchin replied, 'That photo does have a history! It was taken in New York during my time as consul general, 2014-17. It is me with my official car, a Chevy SS, which was of course a Holden commodore SS built for the US market. As Industry Minister I persuaded the Howard Government to institute a policy that our overseas diplomats have Australian cars as their official cars in countries where they were available. Naturally, as C-G I complied with the policy, and I loved that car, which I drove proudly up and down the east coast of the United States during my 3 years'.

Contact us

Old Parliament House
18 King George Terrace,
Parkes, ACT 2600, Australia

info@howardlibrary.unsw.edu.au