



AUSTRALIAN MADE

History of manufacturing in Australia

Australia has a long and proud history of manufacturing, particularly in the 20th century. Here is a timeline of how it has developed, changed and evolved.

1901 - Federation

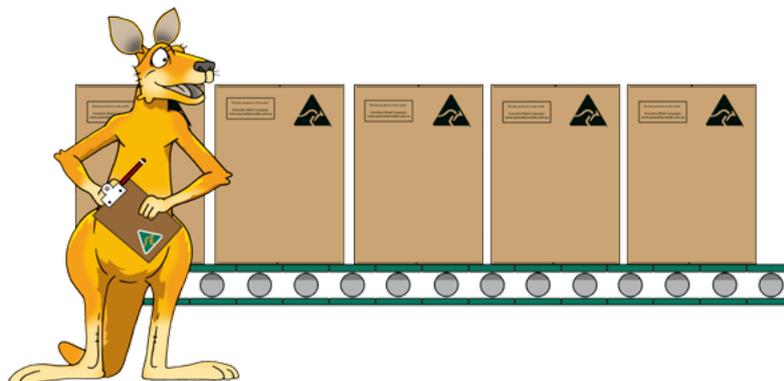
In 1901, Australia become one nation (all the states and territories joined together). This meant that the economic market opened up. The states and territories could trade with each other more easily and the development of Australian manufacturing began. The two larger states of New South Wales and Victoria in particular saw an increase in their manufacturing.

1914 to 1918 – World War I

During World War I, Australia realised that it was heavily reliant on importing (buying products from overseas) many products. During the war, it was not as easy to do this, so we had to think about how we could produce more items here at home.

The steel industry saw an increase in manufacturing during this time. BHP opened a new steelworks at Newcastle in June 1915, and although Australia already had a blast furnace at Lithgow, the site at Newcastle had greater potential. It was chosen because there were high-quality iron deposits nearby, coal supplies were close, the tide waters were suitable and it was close to Sydney and other major east coast locations.

A range of other products were developed during the war including aspirin and chlorine. Aspirin had previously been imported from Germany, but now we could make it right here, and chlorine was needed for various purposes including use as a bleaching agent in the paper, textile and soap industries.





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Mid 1920s – Car manufacturing

An important development in manufacturing happened in the mid-1920s. Two large American car manufacturers, General Motors and Ford, set up factories in Australia to assemble their products using imported components. This was cheaper than importing completed cars.

Ford established plants in Brisbane, Adelaide, Fremantle and Sydney during the 1920s and 1930s.



Late 1920s to late 1930s – The Great Depression

Although the 1920s were a positive time for growth in Australian manufacturing, this was challenged by a global economic depression at the end of the decade. During his time many industries were affected, but particularly heavy industries (metal components, tools and parts).

To help protect Australian industries, the Australian Government applied tariffs to some imported goods. This means that a company bringing in items or components from overseas would have to pay an extra tax on them. The idea of this was to make imported goods more expensive than locally produced goods (which did not have the tariff) in the hope that people and companies would buy Australian products.

During the 1930s, Australian metal works and machinery industries continued to grow and expand.

- In 1935, BHP took over the Port Kembla steelworks of Australian Iron and Steel Ltd.
- In 1937, General Motors Holden built Australia's first all-steel welded car body at its new plant at Fishermen's Bend in Melbourne.
- Ajax Pump works was built at Tottenham (Vic).
- Patience and Nicholson started making drills at Maryborough (Vic).
- Australian Pulp and Paper Mills Ltd started making writing and printing papers at Burnie (Tas) using Australian hardwoods.
- Rheem started making water heaters.

What an exciting time for Australian manufacturing!



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1940s to 1960s – Post war years

When World War II began in 1939, Australian manufacturing was able to play a much greater role than it had during World War I.

As in World War I, it was not easy to import goods during World War II, particularly from countries that were now seen as ‘enemies’. This meant that the demand for goods produced in Australia increased. Along with local demand, we also became an important supplier of goods to British countries.

Manufacturing expanded and Australia was now able to produce a huge range of goods including machine tools, ships, aircraft, chemicals and textiles (fabric).

After World War II, manufacturing grew as a result of many factors including:

- continued tariffs on imported goods
- restrictions on the quantity of certain products that could be imported
- increase in the number of migrants who brought skills and ideas to share
- increased prosperity (this means the amount of money families had to spend) meant that demand for products (especially electronic goods and motor vehicles) was high.



A particularly exciting event happened on 29 November 1948 when the first completely Australian built car was made – the Holden 48/215.

1960s to 1970s – Influence of other countries

While Australian manufacturing was doing well in the decades following World War II, there were also huge advances happening in other countries.

Australia’s manufacturing and trade relationship with Britain was reducing and we started to look at Asian countries for new markets in which we could sell our products. We began to trade (export and import goods) more with Japan and, by the mid-1960s, they were Australia’s biggest customer for a wide range of products. Soon we were importing items such as clothing and footwear from Japan and then more technical goods such as cars, stereos and televisions.



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By the end of the 1960s, Australian manufacturers were starting to have trouble competing with imported goods.

Difficult times were coming for the manufacturing industry in Australia.

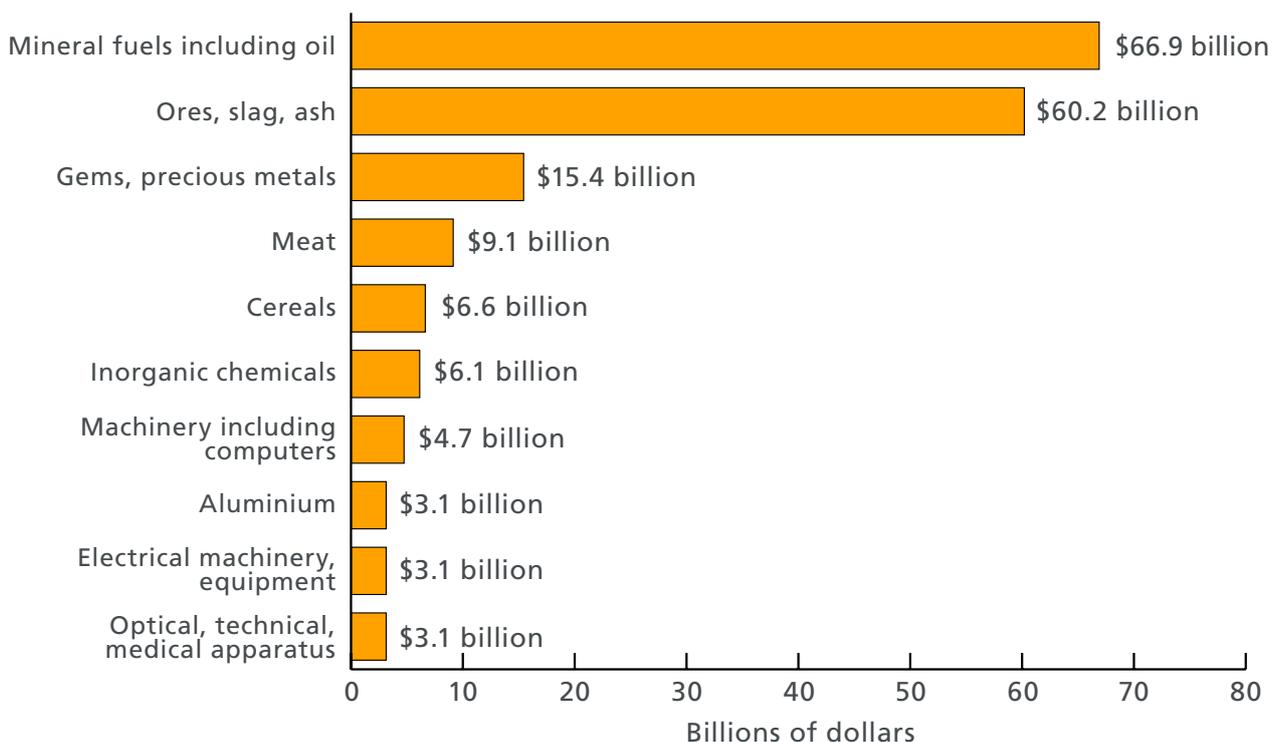
1970s and beyond – Competition from around the world

During the 1970s, various economic factors caused issues for the manufacturing industry. The cost of imported products became much cheaper than the same product made or produced in Australia. This meant that businesses were buying products from overseas instead of those produced here.

This has continued to be a problem and sadly we are seeing many manufacturing industries disappear completely from Australia. The most recent example is the car industry.

Australian exports

Australian manufacturers don't just make products that are sold here in Australia. We also export (send overseas) a lot of products to other countries. Australia's top ten export product groups (according to US dollar value) are:





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What can we do?

Whilst there has been a significant reduction in the number of manufacturing industries in Australia, we still have many that are doing very well: food, furniture, health products, energy, clothing and textiles, chemicals, primary producers (steel/wood/iron-ore), movies, books, music and even futuristic hi-tech inventions.

It is important that we buy Australian made products whenever we can. This will ensure that these businesses continue to thrive.

