



# Tariffs wouldn't have saved Ford

**Modest member**  
**The loss of industry protection has been blamed for Ford's loss, but higher prices don't stop job losses.**



Scott Ryan

I still remember the day in 1994 when my father came home from his work at the truck workshop for the last time. Like tens of thousands who lost their jobs in the first wave of automotive industry restructuring during Labor's "recession we had to have", it was destined to be the last job he held. So when news of the loss of Ford broke last Thursday, I felt for the thousands of families involved.

At such times, the initial emotional reaction is to look for someone or something to blame. Given our history, the removal of industry protection is often where the finger is first pointed. I have learnt not to expect any better from populists like Nick Xenophon or Bob Katter, but what stands out is how many ALP members have nominated tariffs as their preferred path for Australia. After all, the greatest pain of protection is borne by blue-collar workers through higher costs, lower employment opportunities and job losses when protection fails.

Nick Champion, ironically the member for Bert Kelly's old seat of Wakefield, called for "emergency" tariffs on imported cars when the dollar was above US94¢. Last week the dollar fell below US96¢. Does anyone seriously think that this 2¢ would

make a difference to Ford's position? Darren Cheesemen and Richard Marles, members for Corangamite and Corio around Geelong, and senator Doug Cameron of the AMWU, called for tariffs when the dollar was above US90¢

Political bidding wars for tariffs should raise hairs on the neck of every Australian. The ghost of Black Jack McEwen's Special Advisory Authority stirs as applications for protection are made by those who financially benefit, while decisions are made by those seeking a political dividend.

The complaint levelled against those who oppose protection is that we are ideologues or "free market purists". But as Bert Kelly wrote, opposition to protection is practical: "I do not dread government intervention ... for ideological reasons. It is just because they are such messers." Protection doesn't work.

Does anyone seriously think that making a Mazda3 \$1000 more expensive would have saved Ford? And even if it would have, why should thousands of Australians who choose an imported vehicle pay a fine of thousands of dollars? Neither of these arguments is addressed by protection advocates. The person I really feel deeply for is the bloke (and it usually is

a man) who many years ago chose to work at Ford. He is probably around 35, married with kids and a mortgage. Years ago he may have had the option of an apprenticeship elsewhere. Like many young men (me included) he liked motor racing, and he and his dad probably watched the Bathurst motor race together, supporting the Ford teams of Moffat/Johnson/Lowndes (pick your generation). So he took the job at Ford.

Imagine this as his personal *Sliding Doors* moment. He and his family are in a very difficult position because protection provided a false sense of security.

This is a moral case against protection – governments and politicians leading people through doors that end in the trauma of job loss years later, often when they are the most financially committed.

My Dad's job wasn't going to be saved by making trucks more expensive for everyone else. So don't believe the myth that the jobs at Ford could be saved by making us all pay more.

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