

# WHY WE SHOULD ALL BUY LOCAL AND SUPPORT AUSTRALIAN INDUSTRY

By Sebastian Damm

The once prosperous Australian manufacturing sector, which was responsible for establishing Australia as a developed nation, is now at its lowest contribution rate since the early colonial days – measured as a percentage of Gross Domestic Product (GDP). The manufacturing boom within Australia stagnated in the 1960's as growth and productivity faltered and by the 1970's the Australian manufacturing sector was in the decline.

Today, the manufacturing industry contributes less than 10% to our overall GDP.

A combination of reasons have been blamed for this steady decline including:

- Australia's high wage cost
- Our lack of proximity to global supply chains
- The adoption of Western-style manufacturing from Japan and China for cheaper production.

Since 1974, manufacturing's contribution to GDP has halved, declining from 17% to 8% in 2013 and is now sitting at roughly 7% as an overall contribution to GDP.

This trend is expected to continue it's rapid decline unless changes to the current manufacturing sectors are made.



At a talk during National Manufacturing Week 2015 entitled Is the steady decline of the Australian Manufacturing sector inevitable and irreversible? Tim Plenderleith – Global Marketing Director of Manufacturing at Aurecon, said: "With the way we are behaving in the manufacturing sector, the continual decline in the industry is inevitable."

Plenderleith looked to the future by stating that in order to succeed in manufacturing we need to "challenge the status quo", "understand the consumer" and; "innovate your practice to connect with your consumer market."

Plenderleith constantly referred to design thinking to innovate our manufacturing businesses.

For manufacturers to succeed in a fragile sector which is challenged by scale, a fluctuating exchange rate, proximity, wage cost and a lack of a substantial supply chain, they need to "be the disruptor" and "focus on the consumer, not the product".

The idea of implementing design thinking into a manufacturing business is an interesting one.

But what does this "Design Thinking" concept really mean?

Design thinking is not just the adaptation of design ideas and concepts. Design thinking is focused around changing the way consumers, designers and manufacturers interact with local products.

Since the late 1950s Australia's design and manufacturing sectors have been in a transition from an industrial to a post-industrial era.

Ultimately, by implementing design thinking throughout the manufacturing business, industries will be able to optimise all aspects of their business, increase



performance, decrease waste, and focus their business in specific areas.

For businesses to succeed, local manufacturers need to be clever in adapting customisation, personalisation and new technological approaches to their industries.

The past Australian initiatives including the "Buy Australian", and the "Boomerang Project" have resulted in the creation of the current Australian Made logo.

This logo is an internationally recognised image for Australian products, but one that has not been transitioned well into the manufacturing sector.

Consumer nationalism is at an all-time low, with the general public simply not willing to pay the additional costs associated with a "buy local" campaign.

In order for a manufacturing sector within Australia to succeed, we need to personalise the industry. With an empathetic appeal towards consumers, they may be willing to purchase Australian made products, goods, objects and furniture.

By encouraging this buying local campaign, you are not only supporting Australian designers and manufacturers, but also investing in the future of Australia. Australia needs to convince it's local and international consumers that the consequences of not buying Australian-made products are far worse than we

perceive.

In a recent interview with Dr Juan Sanin – author of the PH.D. "Branding Australia", he said: "In the transition to a post-industrial world the Australian made logo does not work well in all contexts. It works in food, but not in the Australian manufacturing sector for furniture, objects and new forms of products in the (current) design era. This suggests that designers and manufacturers might need new country-of-origin strategies to differentiate their products."

With this in mind a change in the current approach to advertising local products is needed.

The famous Australian tourism advertising campaign featuring Lara Bingle should be a great precedent to an updated Manufacturing campaign.

So with that, "Why the bloody hell aren't you buying local?"

*Sebastian Damm is a final year Industrial Design student of the Royal Melbourne Institute of Technology, currently writing his thesis on the future of Australian manufacturing. As part of his thesis, Sebastian is building a resource aimed at linking emerging designers with manufacturers to ultimately boost the local manufacturing sector.*

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