

LESS TAX, MORE DOLE

Budget hit tipped as car trade folds

■ **Shane Wright**
Economics Editor

Federal Government plans to slice \$500 million in car-industry handouts could force Holden, Ford and Toyota out of the country even faster than expected.

The Productivity Commission, in a draft report into car sector assistance, warns the planned savings could end up costing the Budget more in lost tax receipts and displaced worker handouts than they gain.

The commission yesterday released a draft report into the car sector. It follows the Government's decision not to financially support Holden, which has announced plans to stop Australian production by 2017. Ford will shut up shop in 2016.

According to the commission, governments spent \$30 billion on car industry assistance — including tariffs and direct payments — between 1997 and 2012.

While admitting that ending assistance to the industry would hurt the car sector, particularly in South Australia and Victoria, the commission says the overall

community would be better off.

It backs winding up the Automotive Transformation Scheme, which is due to end in 2020, and other programs.

As part of its election commitments, the Government plans to cut \$500 million from the scheme over the next two years.

But the commission says this could end up costing the Budget bottom line through quicker car plant closures, more people jobless and less in tax receipts.

The commission argues there is no "compelling evidence" that handouts to the industry generated major economic benefits.

It said the Federal, South Australian and Victorian governments should dump their policies of buying Australian-made cars and also allow cheap second-hand cars to be imported.

Opposition industry spokesman Kim Carr said the commission was giving the Government political cover for a direct assault on Australian workers.

"The devastating effects of this reckless approach to industry policy will be felt for decades to come," he said.



Oz meets Bali: Artist Wayan Upadana with his Ogoh Ogoh at Fremantle Arts Centre. Picture: Iain Gillespie

Statue carved in spirit of friendship

■ **Stephen Bevis**
Arts Editor

A crossbreed Australian-Balinese sculpture carved from Styrofoam awaits visitors to an exhibition about WA's connections with our favourite holiday island.

Indonesian artist Wayan Upadana has added an Aussie touch to his 2.5m Ogoh Ogoh, a traditional Balinese statue to ward off evil spirits, for the show Bali: Return Economy.

The statue at the Fremantle Arts Centre carries a bottle of Bintang beer and wears just one shoe in reference to the unbal-

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anced tourist and economic ties between Bali and Australia.

The exhibition, which opened last night as the first visual arts event of the Perth International Arts Festival, draws together 26 Balinese and WA artists.

Upadana said his artworks commented on the influence of

globalisation on Bali and Indonesia. "When people come to Bali, they get a superficial view of Balinese culture and we're hoping that through my art and the exhibition we can help people get a deeper understanding of Balinese culture," he said.

The exhibition presents a mix of old and new, East and West, from traditional wayang paintings to video art, photography and political cartoons.

The Perth Festival opens officially on Friday.

The Bali: Return Economy exhibition is free and runs until March 27.

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