

AIRCON BOSS PIPES UP ON IR REFORMS

GIUSEPPE TAURIELLO

Confusion and compliance costs around the federal government's industrial relations reforms and a weak Australian dollar are adding to the cost pressures already facing businesses like Seeley International.

But managing director Jon Seeley says the company is "doubling down on Australian manufacturing" with new products and innovation.

Australia's largest manufacturer of airconditioners and ducted gas heaters employs around 500 workers, mostly at its main factory in Lonsdale.

But the company is closing a second site at Albury in NSW, a move that Mr Seeley blames on changes to casual worker laws that had undermined the employment of a seasonal workforce at the site.

"We had legal clarity around casual employment; now we do not," Mr Seeley said.

"The flexibility of casual employment was crucial for our business and staff, but with it being made more complex, we've had to consolidate our workforce in SA to stay efficient.

"The federal industrial relations changes have also introduced legal confusion, increased compliance costs and introduced unnecessary conflict into a lot of workplaces."

The closure will affect 85 permanent jobs and 40 seasonal roles.

And energy costs are another area of great concern for Mr Seeley, who said prices had increased by 60 per cent as part of a recent renewal of a multi-year electricity agreement.

"Government energy policies have undoubtedly been driving up energy costs and expansionary federal budgets are driving inflation throughout the economy," Mr Seeley said.

However Mr Seeley said he remained "bullish" about the South Australian economy, due in part to the "pragmatic policies pursued at the state

level”.

Seeley International, established by Mr Seeley’s parents Frank and Kathy in 1972, is ramping up production of its energy efficient Climate Wizard Hybrid model, which it developed specifically for the US market.

The company exports its products to residential and commercial customers across the world.

“We see increasing demand for energy efficiency, which our products provide, as a huge part of our growth strategy going forward.

“Especially overseas, where we hope to see substantial sales growth in the United States,” said Mr Seeley