

> Siemens CEO challenges Australia to secure its place in new digital supply chain

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Siemens Australia CEO Jeff Connolly (left) and Engineers Australia CEO Stephen Durkin at the recent signing of the Memorandum of Understanding.

Siemens CEO Jeff Connolly has taken the opportunity at the signing of a Memorandum of Understanding with Engineers Australia to challenge Australia to prepare for the next Industrial Revolution.

Mr Connolly said the country was fighting for its prosperity like never before.

"As we exit traditional automotive manufacturing, it is time to find a new place for Australia in the global supply chain. This becomes particularly poignant at a time when we're entering into more Free Trade Agreements with Asian growth centres. The old ways of thinking that everything we make is unique to Australia for local consumption are rapidly declining. That was a major factor in the decline of the auto industry here by having cars specific to Australia.

"There are a whole host of technologies available today that would allow Australian industry to become a key player in the global supply chain and take advantage of massive growth opportunities. Connecting our engineers to this is critical."

Mr Connolly said the challenge for Australia was to be ready as the rest of the world enters the fourth industrial revolution - the merging of the cyber and physical worlds.

"Known as Industry 4.0, it is a world where everything imaginable is connected to a network. All the information from this connected world can be stored, transferred, analysed and acted upon in new and usually automated ways via network connections with everything else.

Mr Connolly stressed Industry 4.0 was not a single point in time or a piece of software that solved everything.

"It's more like a new way of working and a new way of thinking. It makes competition global rather than local. It means that people from almost anywhere can participate in the relevant global supply chain - if you're good enough."

Mr Connolly said the good news for Australia, with its abundance of resources, skilled workforce and talented engineers, was perfectly positioned to be a key player in the future global manufacturing system.

"More than ever, Australia's economic prosperity relies heavily on the quality and contribution of its engineers - whether that's creating intelligent infrastructure, sustainable energy or moving to advanced manufacturing. There has never been a more important or more exciting time for engineers in the country as we approach this new digitalised world.

According to Booz and Company, a 10 percent increase in a country's digitization rate leads to a 0.75 percent higher gross domestic product (GDP) per capita and a 1.02 percent lower unemployment rate.

"Countries are adapting rapidly to the changes and Australia can do the same. Within five years, in Germany, over 80 per cent of companies will have digitalized their value chains."

Mr Connolly said Australia had a proven history of adapting rapidly, but needed the support of key players to ensure access to the most advanced technologies to provide the best solutions.

"One of the important steps we need to take is to increase the level of collaboration between companies, governments, industry and educators. That is why Siemens is proud to add the power of its advanced technology to the know-how of Australian engineering."

Engineers Australia CEO Stephen Durkin said the MoU signing signalled the start of a new era for the profession.

"As the peak body for professional engineers in Australia it's vital we strengthen our relationships with industry leaders like Siemens. What Australia needs going forward is a long-term, co-ordinated and planned approach and that starts with collaboration.

"I look forward to working closely with Siemens in developing the opportunities for Australian engineers," Mr Durkin said.

The MoU expresses a desire for both parties to develop a long and mutually beneficial partnership. Siemens and Engineers Australia want to jointly explore cooperation and work opportunities by systematically engaging industry stakeholders, customers and members to best prepare and actively participate in the newest industry revolution in which electrification, automation and digitisation are the keys.

Engineers Australia
Sarah Ross, phone: 0402 419 962
E-mail: ross@engineersaustralia.org.au

Communications Manager

Keith Ritchie

p: +61 3 9721 7230

m: +61 457 841 189

keith.ritchie@siemens.com

Media Relations

Ms. Krupa Uthappa

p: +61 3 9721 7681

m: +61 427 601 578

krupa.uthappa@siemens.com

All other inquiries

p: 137 222

customercare.au@siemens.com
