





## 2020 Australia: A union perspective

“The needs and interests of working Australians and their families must be at the forefront of deliberations over our Nation’s future.”

– **Sharan Burrow**, ACTU President

“Unions bring to the 2020 Summit our fundamental commitment to building a democratic Australia which values all its citizens, their aspirations and their rights – including their right to fulfilling employment and a decent share in the nation’s wealth.”

- **Jeff Lawrence**, ACTU Secretary

## **2020 Australia: A union perspective**

### **Preamble**

The Australian Council of Trade Unions welcomes its participation in the Rudd Labor Government's 2020 Summit.

The Summit is an important opportunity for the needs of working Australians and their families to be fully considered in the development of policy prescriptions for a prosperous and fair Australia.

It is a forum for not only putting right the wrongs of the former Coalition Government but for creating a sustainable future for Australia in the coming decades.

Unions bring to the Summit our fundamental commitment to building a democratic Australia which values all its citizens, their aspirations and their rights – including their right to fulfilling employment and a decent share in the nation's wealth.

Australian society needs unions to continue to grow and stand up for working Australians and their families.

Unions believe in fairness, equality and opportunity for all. We believe that all Australians deserve to share in the nation's prosperity and have a stake in ensuring the country continues to grow in a fair and sustainable way.

Working Australians are keen to have a say in how this is done, through the ongoing dialogues that unions facilitate in workplaces and in the community, and also through the opportunity afforded by the 2020 Summit.

### **A robust economy**

Despite sixteen years of positive economic growth and more people in work than ever before, many Australian working families are under tremendous financial pressure. Successive interest rate increases, rising personal debt, and spiralling costs of petrol, childcare, health care and education mean that working Australians are struggling to meet their day to day costs of living.

In addition to financial pressures, changes in the labour market have led to increased job insecurity, more workers having difficulty meeting work and family commitments, and lack job autonomy. These changes are associated with stress, feelings of time pressure, poor health and reduced wellbeing amongst workers, with associated reductions in productivity.

At the same time company profits as a share of national income are at a record high, and Executive salaries have doubled in the last three years. Companies, as well as government, have failed to invest this in future productive capacity, by ignoring the need to secure a supply of skilled labour. And all industries face the challenge of adapting to climate change.

Australian workers deserve to share in the wealth and prosperity they are responsible for generating and critical to achieving this is the creation of a balanced industrial relation system.

Fair and balance industrial relations laws are also essential for a productive economy. Fair IR laws must include: job security through protection from unfair dismissal, the right to collectively bargain, a strong safety net, the right to union membership and representation, and an independent umpire to resolve disputes.

The spectre of rising inflation presents a challenge for our national prosperity, but so do the constraints on growth.

In the decade to 2006 Australia significantly underinvested in economic, social and environmental infrastructure. Before 2020 we should have filled the backlog of investments, including a world class broadband network and an effective strategy to prevent a huge gap emerging from information rich and information poor citizens. We also need Infrastructure Australia to have a building shelf of projects that can be brought on stream or deferred to help macro economic management.

During the last decade our investment in private sector business research and development grew by 5% per annum in real terms compared to 10% per annum in the previous decade. In the decade to 2020 we need to restore strong research and development growth particularly around climate change and environment technologies where we can make a real difference.

Manufacturing industry will be key for Australia competitiveness in a global economy. While accounting for 12% of jobs, manufacturing has been responsible for 50% of the research and development in Australia in the last decade. To build a high-end economy based on infrastructure, skills, and innovation, Australia must plan for and invest in a strong manufacturing industry.

In the decade to 2020 we must aspire to build a new generation of Australian based businesses who win more international business opportunities by having the management systems and organizational capabilities required to succeed in the global economy. Our industry policy must be a key driver to help make this happen.

#### **A skilled workforce**

If Australia is to deal with the constraints on growth we must also lift our workforce participation and productivity. This requires organising our workplaces in such a way as to remove the barriers to participation in paid employment and to unlock the productive capacity of the workforce.

In the long term we must aim towards creating more high-skilled, high-productivity jobs and workplaces.

Improvement to productivity and economic growth will be in large part dependent on strategic investment in vocational education and training.

It will also require extending collective bargaining and democratising our workplaces to allow workers to have a say in improving productivity at an enterprise and industry level.

Quality early childhood, primary and secondary education are significant factors in improving job opportunities for individuals and increasing national productivity. Quality education relies on provision of modern learning environments, and the skills and dedication of teachers. Attracting and retaining talented teachers requires government commitment to the adequate pay, professional development, and career opportunities in the classroom.

The universal right for all children to have access to quality education until year 12, or equivalent certificate III in vocational qualification, without relying on parental capacity to pay, must be guaranteed.

The tertiary education debt burden on Australian students should also be reduced.

Nearly 50% of adults between 18-20 years old are not engaged in education or training at school, TAFE, university or any other post-school training institution. There needs to be reinvestment in our university system.

In the short and medium term skilling Australia's workforce through vocational education and training requires engagement of all of the industry parties – employers, employees and their representatives – in the development and introduction of programs that:

- Formally recognise the existing skills of workers through recognition of prior learning;
- Provide access to training for older workers seeking to re-enter the workforce;
- Engage youth and the disengaged in gaining skills and recognises these vocational skills as education outcomes equivalent to year 12;
- Support all workers in increasing their skills in areas critical to the Australian economy;
- Encourage employer investment in skills;
- Restructure subsidies to employers and employees to maximise the outcomes of public investment;
- Promote better completion rates among apprentices and improve their wages;
- Recognises the critical role of TAFE as the key provider of vocational training;
- Don't impose artificial competition in the training market for the sake of competition alone; and,
- Ensure a united approach in vocational education and training across state, territory and federal governments.

Addressing the skills shortage through temporary migration, or 457 visas, is short-sighted and inadequate. In some cases, these visas have been abused by employers, who have used them as a means to cut wages. Permanent migration should be given primacy.

Unions do however accept that, where an employer has and continues to invest in training Australian workers, some temporary work programs for overseas skilled workers may be necessary. Such programs must however respect the rights of those workers and provide them with the same employment standards and wages as the Australian workforce.

#### **Climate change challenges and opportunities**

Climate change is one of the major challenges of our time. Our economic future and social progress require a habitable planet. Indeed, our children demand of us a massive reduction in our carbon footprint as quickly as possible.

Australia's ratification of the Kyoto protocol is a necessary but not sufficient response. Australian unions accept that the challenge of climate change is a collective responsibility and that it provides an opportunity for both domestic growth and global leadership.

We support the implementation of an emissions trading scheme that:

- Is based on auctioning of permits;
- Generates revenue to support Research and Development, and the commercialisation of clean technologies;
- Mitigates against the decline or off-shoring of trade-exposed industries;
- Ensures compensation for vulnerable Australians against prohibitive increases in the cost of utilities;
- Cannot be corrupted by corporate self-interest; and,
- Is not a "cash cow" for financial institutions.

Existing public and government buildings should be fitted with energy and water efficient systems. Government should also establish a domestic target for fitting of green technology, beginning with the dwellings of the poorest Australians, to reduce energy dependence and, therefore, cost.

Training and up-skilling tradespeople in green technologies is also an urgent priority. Australian unions and our members are prepared to support government initiatives, educate our members for private action, and bargain for healthier and more efficient workplaces. By 2020, we must have taken giant steps towards carbon neutrality.

### **A healthy society**

Australian unions have a longstanding interest in ensuring healthy and safe workplaces. We also have a strong commitment to a universal, high quality public health system.

Health reform and a long term health strategy must be focused on the principles of accessibility and universality – that all Australians should have access to quality publicly funded health services available on the basis of need and not the ability to pay.

A long term health strategy must:

- Strengthen the universality of Medicare with recognition of dental care;
- Increase support for public hospitals and acute care provision;
- Strengthen primary health care, public health and the prevention of ill health, including mental health and chronic disease management;
- Address the growing need for aged care as part of health planning with the number of people over 65 years expected to increase to 25% of the population by 2040;
- Address the impending health workforce shortages with an urgent need for focus on reforms that create a sustainable and robust health workforce into the future; and,
- Tackle the current funding system and address funding duplications through the Australian Health Care Agreements (AHCA).

### **A more equitable Australia**

Unions strongly believe that Australia must always strive to be the land of the 'fair go' and that the fundamental means of achieving equity is through the provision of secure jobs with decent wages and conditions.

Unions strongly reject the notion that employees should bear the brunt of the fight against inflation and suffer a cut in real wages.

It is essential that workers should have decent wages that provide fair compensation for the application of skills, the complexity of work and the environment in which work is performed.

Unions are determined to campaign for wage increases for all workers that ensure working families can maintain and improve their standards of living. In particular, unions will continue to work towards reducing the gender pay gap which sees Australian women earning 16% less, on average, than their male counterparts.

Unions also believe that company profits and executive salaries should not rise to exorbitant levels at the expense of ordinary working Australians and without regard to the level of inequality.

Australian workers need secure employment so they can plan for their futures. It should be of great concern that Australia has the second highest rate of casualisation and insecure employment in the developed world.

It is also essential that Australia prepares for the ageing of its population and ensure that all Australians have adequate incomes in retirement.

Today, the overwhelming majority of workers get 9% super from their employer through the Super Guarantee Charge (SGC). Unions are seeking a lift in superannuation to 12% by 2012. By 2015, unions believe 15% super should be the norm with the additional 6% achieved through a combination of employer, employee and government contributions.

There needs to also be an emphasis on superannuation adequacy for low and middle income earners and for women who have fallen the furthest behind in super account balances.

Quality education is fundamental to improving opportunity equality. Completion of year 12, or equivalent, is one of the most significant factors in influencing people's ability to find quality and well paid employment, and to accessing further training and education. All Australian children have the right to access quality education.

Action is also needed to redress social inequality in a broad range of areas, including:

- Access to more affordable housing;
- Access to affordable childcare and provisions to assist with work/family balance, including universal paid maternity leave;
- Innovative ways to improve job security;
- Reducing the high effective marginal tax rates in the tax and social security system;
- Basic income guarantee for disabled Australians trying to enter the workforce;
- Rights and support for migrants;
- Action to provide equal rights before the law, to legal representation and to end discrimination on the basis of race, ethnicity, gender, disability, sexual preference and political beliefs.

Australia is an inclusive nation that values cultural diversity and tolerance. We must ensure these values are carried through to practice with policies and laws that promote access to opportunity for all Australians.

### **Bridging the gap**

Australia must bridge the gap between Indigenous and non-Indigenous Australians in health, education and employment opportunities.

It is unacceptable that Aboriginal and Torres Strait Islander people die around 20 years earlier than other Australians, and that Aboriginal and Torres Strait Islander infant mortality is three times the rate of non-Indigenous Australians. Many of the poor health outcomes for Aboriginal and Torres Strait Islander people are preventable and related to social and economic factors. We must:

- Urgently increase investment in health infrastructure and health resources;
- Guarantee Indigenous children have the same access to educational opportunities as children in the rest of Australia;
- Increase access to paid employment as a means to access social and economic development, which in turn leads to improved social and economic circumstances. Despite the strength of the Australian economy and recent strong employment growth, Indigenous unemployment is approximately 20.3%;
- Increase access to vocational education and training, and create workplaces which recognise and respect the rights of Indigenous people to operate within a cultural framework;
- Accept a National representative voice for Indigenous Australians and increase representation through Australian parliaments and local governments; and,
- Work towards a treaty with Indigenous Australians as a basis for a shared future.

On all these issues we must consult with Aboriginal and Torres Strait Islander peoples.

### **Growing rural and regional Australia**

Rural and regional communities deserve special attention considering the ongoing impact of economic and demographic change coupled with the differing effects around the nation of drought, flood, climate change, salinity, and other critical issues.

Australian regional industries predominately consist of two sectors agriculture/aquaculture and resources. The two sectors and their communities are facing significantly different fates.

While the resource boom is creating new regional cities, often in remote areas with the challenges of being annexed from transport routes and other key infrastructure; rural communities dependent on agricultural industry face an economic downturn due to drought and labour shortages and require significant financial and intellectual investment to become more environmentally and economically sustainable.

Improving the sustainability of rural and regional industries and their communities will involve a multifaceted strategy that includes:

- The development of regional research and development centres focusing on environmentally sustainable and adaptable produce. These will also act as regional centre hubs for information sharing;
- The development of a regional education and exchange program that will encourage active involvement in regional education between major cities and the region;
- The development of a sustainable infrastructure system involving: high speed internet, rail and road networks, creation of regional hospital grids;
- Educational development programs;
- Government contribution to assistance regarding training and development of labour;
- Government commitment to trade; and,
- Establishment of a regional development taskforce to administer and oversee the policies.

### **Creative Australia**

Supporting creativity and cultural production in Australia has intrinsic value, but on top of this it is an important industry that Australia exports to the world and it needs investment in its ongoing development.

Creative Australia requires sound legislative protection of artistic property, investment, cultural development, and infrastructure. There needs to be:

- Extension of legislation for broadcasting licence fees, from television and commercial radio to other organisations in the digital media environment delivering content such as telecommunication companies and internet service providers (ISPs), to be reinvested in local content;
- Development of a future fund for the entertainment industry inclusive of multi-media and internet production and support for creative export industries;
- Strengthening of performers' copyright provisions, to protect the use and fair payment of their image;
- Government financed initiatives, such as a 'cultural school bag' for all children. Where every school child in Australia is given access to cultural experiences that reflect the multicultural nature of Australia: such as Australian feature films, visual arts, performing art productions, and museum exhibitions; and,
- An audit of cultural infrastructure, so that unused spaces in schools and universities can be utilised for resident and touring companies, and so theatre and the performing arts are brought into communities where people live.

### **Australian Governance**

By 2020 we should be living in an Australian republic with sound governance and strong democratic principles and practises.

Australian governance must focus on accountability, accessibility and democratic involvement at multiple levels including; workplaces, local councils, State and Federal governments. This requires:

- The essential building of an effective, productive and accountable partnership between State and Federal governments in the global economy;
- An independent and professional public service whose rights at work are respected, and skills are recognised and developed;
- Government accountability: Freedom of Information (FOI) laws that work, better scrutiny on public spending, particularly with the use of TV advertising of a political nature.

Australia's governance also entails the strengthening of our civil society, including workers' rights to join and be represented by unions.



New industrial relations laws are urgently needed to provide genuine protection for the democratic right of Australian workers to join a union and bargain collectively. Restrictions on the scope of collective bargaining should be removed, workers' rights to take industrial action should be protected, and the right of workers to access help and advice from their union must be enshrined in law.

Governance arrangements for corporations also need to be reviewed and strengthened. Private equity firms should not be able to easily evade the transparency that is required of public companies.

Corporate governance also needs to be strengthened by restricting the use of the 'corporate veil' to prevent a repeat of moves by unscrupulous companies to evade their obligations to workers' entitlements or liability for injuries, as in the case of James Hardie's asbestos victims.

Strong new requirements are also needed for banks and other lenders to prevent unethical lending practices including the use of staff performance targets to sell loans or credit to vulnerable customers. Unions also propose that banks and non bank lenders be bound by a new charter of responsible lending.

### **A regional partner**

Australia's participation in the world must be based on engagement, partnership and a strengthened multi-lateral system of global governance.

Australia's leadership role will be most effective on issues that as a nation we demonstrate moral courage. The critical importance of climate change understandably heads the list of global priorities, but we cannot ignore the importance of decent work deficits in our region.

With more than half the world's people living on less than \$2 US a day the trickle down development model has failed. Consequently, the UN has declared that *fair globalisation requires full employment and decent work*. Australia can work with our neighbours to make a real difference to the security, the democratic freedoms and the living standards of people in the Asia-Pacific region.

As the global economy leads to an increasingly mobile workforce, we must also as a region address the challenges of protecting the rights of migrant workers. There is urgent need for a new development model and for a fair set of rules for trade that includes the protection of workers' rights.

Genuine regional security begins with friendship, understanding and respect for cultural difference. A good neighbours program that builds strong relationships between civil society in each of our nations is as important as military security.

Universal human rights must be protected and promoted across the globe. There needs to be strong and united practical support for people who stand up to oppression, such as those who are seeking democratic change in countries such as Burma, Fiji and beyond our neighbourhood, in Zimbabwe.

## Contributions from Working Australians

*More than 1200 workers took the time to write in to the ACTU and share their ideas for the 2020 Summit. Below is a selection of their contribution:*

### **Productivity Agenda**

"Even though we are only cleaners we still need training and education. Things change especially in hospitals. I love my work at Gladstone Hospital and think we should be offered more opportunities to further our education in extra certificates which help keeps people motivated." Dainne Guse (Qld)

"How about free uni? Whitlam style...The present system is so unfair for kids from low socio-economic backgrounds." Ruth Ashton (NSW)

### **Australian Economy**

"Let's move forward by fostering an economy that works for us, which is exactly what the Your Rights At Work campaign has championed so well." Lilian McCombs (NSW)

"I would urge you to bring to the 2020 summit some suggestions how the tax system can be given a more humane structure, so that the most economically disadvantaged of us, and our children, may be helped to find our way out of generational poverty and the social isolation that often accompanies it." David Shapiro (NSW)

"I think that superannuation contribution from employer should be lifted to 12% and then 15% ASAP." Matthew Hazard (NSW)

### **Sustainability and Climate Change**

"Without doubt, the most urgent challenge faced by workplaces everywhere is to become as close as possible to being fully sustainable; that is, little or no carbon footprint. This will demand the total engagement...of all employees." Neil Watson (NSW)

"The only BIG idea really is SUSTAINABILITY - environmental, cultural, social and economic." Frank Hytten (Vic)

"Show that we are serious about energy, global warming and the environment by fast-tracking solar power...[with] research and development at a national level" Jill Golden (SA)

### **Rural Australia**

"With an amalgamation possibly looming within my role in payroll in Bendigo Victoria, which in turn will probably lead to the centralisation of other important roles to a metro base, what is being done to secure jobs for those of us in country / rural areas? The centralisation of these services doesn't just cause the loss of jobs for us in country towns but also diminishes the service provided to those employees within the country regions." Anonymous (Vic)

"Farmers need support and education to create more sustainable farming practices." Neil Mitchell & Jane Monk (Vic)

"There are so many western towns dying because the young leave for the Big Smoke and only come back to visit. How can people be encouraged to take up the adventure of moving away from the coast?" Lorraine Hines (Qld)

### **Health**

"I am concerned about the rights of people with chronic health issues who are still able to work full time. For instance, many people who have Diabetes are discriminated against in that no provisions are made for them to eat at times that will help them control their diabetes." Kathy Kelly (NSW)

"Australia needs to be a healthy country. Support research into nutrition and wellness -not into disease curing, we need disease prevention!" Jennifer Western (Tas)

"Allow childcare, elder-care, and costs for any human caring to be tax deductible. It may not be 100% deduction, but any component would help." Ivy Chen (WA)

### **Communities and families**

"I have recently returned to work after a child and half my wage goes in childcare. If I had 2 children I may as well not work. The current [childcare rebate] system puts women (most often the lower earner) at a severe disadvantage and encourages them to stay out of the workforce until children reach school age." Kylie Hobbs (NSW)

"Why, in the 21st century, is Australia one of the very few developed nations that does not consider paid maternity leave a fundamental human (and women's) right?" Lyn Ellison (NSW)

"We need desperately to shift our thinking and open our minds to other ways of doing things if we are to have a thriving nation rather than one divided by opportunities limited by poverty, race, education, and environmental decay." Kate O'Donnell (Vic)

### **Indigenous Australia**

"Following the apology, it would be great to see the ACTU play a leading role in actions and strategies for increasing Indigenous employment in both metropolitan and regional/remote Australia. This would need multi-level action from local to state to national. There are many good examples of successful programs at a community level and in unions themselves and a focus on building on strengths, keeping cultural development and preservation firmly at the centre would help." Steve Payne (Vic)

"I suggest combining a positive discrimination approach with an apprenticeship approach to ensure Aboriginal people, particularly young people, have a chance at employment." Mignon (Vic)

### **Creative Australia**

"I don't know what the answers are, but the question is 'how can Australia provide more institutional support to allow for cultural life, and musical expression in particular, to prosper and develop?'" Christine Wheeler (NSW)

"Artists...require vision and support by both government and the general public. For example groups of artists can live and work in buildings such as schools or offices that are no longer required for their original purposes." Aviva Sheb'a (NSW)

### **Australian Governance**

"Because as for democracy and participation -- if we had shorter work hours and affordable housing, people might have the time to participate....some very big shifts are needed." Martha Ansara (NSW)

"If we can make money from voting on Big Brother, Australian Idol and So You Think You Can Dance etc, etc ... then how can it cost too much to ask me where I want my tax dollars spent...?" Adrian Scott (Qld)

### **Australia's future in the world**

"...[P]rovide annual education & cultural development trips for all teenagers at school to approved overseas destinations and within Australia to get a better multicultural understanding of the world and Australia. Global travel should not just be an opportunity for well off teenagers..." Jan Jermalinski (WA)

"I would like all refugees to have weekly meetings/visits for at least 6 months after their arrival so that they can settle more easily into Australia." Liz Phillips (NSW)

"Australia should respond to the need for continuity of old family bonds for the migrants she has encouraged to become Australian citizens." Jean Walsh (NSW)