#### Industry

- 1. Congress acknowledges that to create more and better jobs, we need to promote, support and encourage local industry. Government must encourage the growth and development of local industries that provide good secure jobs through good industry policy, and unions and the community are a critical part of any such policy. To create good jobs and support local industry we must:
  - a. Demand that government support economic growth and job creation across the economy, with a focus on key areas of growth due to technological, environmental and demographic changes within Australia and across the globe and internationally, as well as Australia's natural advantages and sovereign capability requirements.
  - b. Understand the areas in which Australia can add value and improve the complexity of our economic system that still remains too dependent on primary production, in part by improving the connections between research and development, innovation, and production in Australia.
  - c. Demand the development of industry plans which ensure that industry is productive, effective, sustainable and that the benefits of industry support can be enjoyed by workers, communities and across the broader economy.
  - d. Ensure domestic producers have access to the energy they need at an affordable price
  - e. Ensure that support is provided to enable the retention of strategically important industries that are undergoing transition.
  - f. Demand local investment in the technology, digital and automation economy and the skills needed to operate within it so that local industry is supported and those who lose out by the developments have opportunities for new good jobs that are arising.
  - g. Recognise the economic importance of Small and Medium Enterprises (SMEs) and support them in their efforts to provide good jobs, improve their productivity and to assist them to grow into large employers.
  - h. Ensure Australia maintains a critical mass of local skills in all critical industries and their supply chains and ensure that there are a sufficient number of new workers being trained and given experience in these positions.
  - Make full use of Australia's relatively strong ethical, environmental and sustainability standards in domestic and export markets.
  - j. Recognise the role of a well-resourced public education including fully funded primary and secondary schools, and increased public funding to vocational and higher education in supporting and facilitating an effective, innovative, industry policy, that ensures strong public and private investment, creates good local jobs and employment opportunities, in existing, new and emerging industries.
  - k. Congress supports a suite of measures, involving programmatic support to companies and workers to develop and adapt existing and new technologies and industries. Congress demands that our tax system nurture innovation and development, and where necessary provide grants which will engender new technologies. Congress supports a system of enhanced R&D tax credits.
  - I. Support existing industrial facilities to continue operating in Australia as they transition to low and ultimately zero emissions fuels and inputs, in addition to supporting the emergence of new low and net zero emissions facilities aligned with Australia's net zero by 2050 goal.
- 2. Congress demands that we have Government policy which is reoriented towards a nation-building agenda.

**Innovation** 



- 3. Congress notes that governments can and should seek to create high quality, secure jobs for their citizens. We believe that government should look past the failed neoliberal approaches which seek to organise society in the name of capital, and seize the democratic mandate and embrace government's role in solving the problems faced by its citizens and their communities. This approach has successfully led to the development of the internet, created a green technology revolution and landed men on the moon. This success can be replicated in Australia through policies that:
  - a. Incorporate models of innovation which include mission-oriented, strategic public investment that drives innovation and investment to solve public problems as well as using the benefits of Australia's existing research, development and innovation processes, as exemplified by CSIRO. In some instances the approach does not need to focus on specific industries, as traditional industry policy does, but on cross-sectoral solutions to complex public policy problems. Innovation needs to be able to develop collaboration between different sectors in new and beneficial ways to define, understand and ultimately solve the problems facing society
  - b. Recognise government as having the capacity to directly produce new public goods in its own right, rather than simply attempting to intervene in markets created by the private sector. Australia needs a framework which can reframe our approach to public investment, yet still rewards innovation and success, while engaging with the private and non-government organisation (NGO) sectors to deliver results that matter to their communities. To this end tripartite Innovation Councils should be created, and given legislative backing and funding and be genuinely tripartite. Government will be required to repurpose the roles of the Departments of Finance and Treasury to step up and facilitate industry policy instead of block it.
  - c. Reframe the role of the public sector to enable its dynamic participation in the economy, and where necessary encourage public sector agencies to engage in risk-taking and market setting, to allow it to become an involved participant that advocates for the public benefit throughout the(multi-decade) life of strategic public investment projects.
  - d. Deliver good quality jobs, with a focus on developing workers' capacity, skills and job security, as a fundamental part of the way that markets operate.
  - e. Ensure that all research and development is undertaken utilising a collaborative approach. Where possible the ACTU supports worker-centred innovation, based on persistent science. This requires a long-term, commitment from governments and capital, and a new attitude to cooperation between govt, capital and labour. The ACTU stands ready to cooperate with govt and employers who wish to engage in a cooperative approach to innovation and industry.

### Support local jobs and industry through government procurement

- 4. Congress recognises that Australia produces some of the best quality goods and services in the world. Government procurement must be reconfigured to support local industry and create good local jobs. Congress is concerned that governments' narrow focus on cheapest price rather than the broader economic benefits of procurement is disadvantaging local industry and costing jobs. Governments must use procurement policy to ensure that all providers of goods and services to governments are best practice employers.
- 5. Further detail can be found in the ACTU's Procurement congress policy.



# Foster demand by improving wages, government investment and supporting exports

- 6. Congress acknowledges that good job creation requires fostering demand for the locally produced goods and services that Australian workers produce and boosting the spending power of working people. Action to encourage increased consumer, government and export demand must include:
  - a. Policies to boost wages and empower workers, including lifting the minimum wages and recalibrating our industrial system to ensure a fair distribution of national income for working people. Congress acknowledges that the net zero transition is presenting opportunities and risks in a range of industries, including opportunities for growth in jobs in renewable and environmental industries, growth in jobs in transitioning industries, and specialist skills in changing the way industries operate.
  - Increased Government investment in infrastructure, industry assistance, public sector jobs and social services.
  - c. Detailed identification and assessment of high-potential export sectors. Fostering networks, industry clusters and industrial "ecosystems" and broadening the mandate of the Export Finance and Insurance Corporation (EFIC) to enhance financial support for exporters.

# Ensure a fair transition, creating industry plans for innovation and technological change

- 7. Congress sees the opportunity presented by the technology, digital and automation economy. The introduction of cyberphysical systems holds great possibilities for workers and society as it further integrates into a wide variety of industries. However, as further change reaches into primary, secondary and service industries, the benefit must be shared with those implementing and affected by the changes, workers and their communities.
- 8. Congress will support technologies which are human-centred and improve productivity that is fairly shared with those workers who produce it. Congress will oppose those technologies and systems which are simply dedicated to replacing humans and increasing corporate profit. Technology which serves humans will be supported; technology which makes humans serve machines will be opposed.
- 9. The complex nature of the changes which are in prospect, and the speed with which they are likely to occur, the quality of the debate and decision making will be poor unless the voice of workers is included. Congress rejects any suggestion that government and business can develop cogent policy and practices with the voice of workers excluded. Congress calls upon Governments and business to work with unions on these complex matters, thereby enriching the decision making as well as including workers in the fundamental changes likely to be implemented.
- 10. Congress notes that future technological innovation will shape the composition of industries and jobs. The type of work that is undertaken in Australia has evolved significantly over time and will continue to change as technology, investment, consumer preference, global trade and many other factors continue to exert their influences on the domestic market. If Australia wants to create its fair share of the high quality, high wage jobs in the future, we must:
  - a. Develop methods of industrial democracy, such as worker representatives on company boards and worker-management consultative committees.
  - b. Use tripartite industry bodies to develop 'strategic industry' plans.
  - c. Stabilise funding and independence for research organisations including CSIRO, and better targeting for Research & Development tax incentives. CSIRO, AIMS, GeoScience Australia and related entities need to be able to focus on applied research, with advice sought from tripartite industry councils, and receive funding to facilitate this.
  - d. Ensure that support for industry drives sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all in line with Sustainable Development Goal 8.



- e. Implement a national Science, Technology, Engineering, the Arts and Mathematics (STEAM) skills strategy, including skills assessments and skills recognition pathways to assist with structural adjustments.
- f. Undertake a comprehensive review of social security and tax systems to ensure technological change provides benefits to everyone.
- 11. Congress welcomes the commitment to establish the Net Zero Authority to support workers and their communities through the net zero transition. As Australia's energy transition progresses, the Authority must be empowered to broaden its remits to workers in other vulnerable industries.

### Ensure strong public and private infrastructure investment

- 12. Congress acknowledges that strong capital investment in both the private and public sectors of the economy is crucial to job-creation and economic performance.
- 13. Congress welcomes the establishment of the National Reconstruction Fund (NRF) which seeks to drive new public and private investment into priority areas of the economy. Congress recognises its potential to support quality jobs and increased value-add, and to safeguard sovereign capabilities. However, congress calls on government to assess the adequacy of public finance provided for renewables and low emissions technology manufacturing through the NRF and other special investment vehicles. Since the NRF was adopted as Labor policy, several major governments have pledged historic state support to develop green manufacturing threatening the competitiveness of Australian operations. Most significantly, the US Inflation Reduction Act is projected to deliver up to US\$1 trillion for these and related purposes. Given the above, the NRF should:
  - a. have a tripartite board where at least one third of positions are for representatives of trade unions,
    and
  - b. greatly increase investment in renewables, noting that its current allocation is nowhere near the scale required.
- 14. Congress calls for additional grant funding from government to support industrial emissions abatement. Existing schemes, particularly the Powering the Regions fund's Safeguard Transformation Scheme, represent a positive step in this direction. However, supporting the sector to transition and ultimately emerge as a 'green manufacturing superpower' will require a much greater volume of grant funds.
- 15. Workers capital can be used to invest in key strategic physical and social infrastructure that delivers good union jobs, economic growth and improved economic productivity in our cities and regions.
- 16. Existing special investment vehicles, especially those involved in the net zero transition—including the CEFC, ARENA, Hydrogen Headstart, and the Capacity Investment Scheme—must treat the creation of good union jobs as a condition for investment.

#### Create good jobs in public services

- 17. We should prioritise the protection of workers' rights and create good, secure jobs in public services. Trying to reduce fiscal deficits through privatisation and large cuts in social programs and services does not support the economy or improve services for the public. Policy measures which will maximise the potential of our public sector to create and sustain good jobs include:
  - a. Restoring government funding for key public services and the good, secure jobs they support. Reversing the cuts to public sector jobs, ceasing recruitment freezes and ending the privatisation and contracting out of public services. Improving support for social and community services, including increased funding security.
  - b. Ensuring that employers which provide Commonwealth-funded services adhere to best-practice employment standards. The priority must be permanent, direct employment and an impactful reduction of contract for services arrangements.



- c. Expansion in the size of the public sector through direct Government employment, particularly in regional areas. New jobs in education, health care, and other caring and human services have played a crucial role in supporting overall employment and incomes.
- 18. Congress recognizes that the public sector has a responsibility to nurture workers in the public sector and private sector through training their workforce. Congress notes and will watch the newly elected NSW Government's scheme that is targeting traineeships for 1000 new starters in IT and other innovation areas and areas of skills shortages over three year to make the government more innovative, and enable an upgrade of the sector. Approaches like this should be reviewed, upscaled and adopted by all governments to rebuild our public sector and provide a source of skilled labour for mobility between private and public sectors.

#### Create good jobs in new and emerging industries

- 19. Congress acknowledges that a transition toward a sustainable, net zero economy is essential, but that that this transition poses many challenges and uncertainties.
- 20. Congress acknowledges that the transition is presenting opportunities and risks in a range of industries, including opportunities for growth in jobs in renewable and environmental industries, growth in jobs in transitioning industries, and specialist skills in changing the way industries operate.
- 21. Policies to help maximise the job-creating potential during this transition include:
  - a. Setting greenhouse gas reduction targets that are consistent with our obligations under the Paris Climate Agreement and scientific advice, supported by an effective emissions reduction policy.
  - b. Providing support for cooperative and non- profit community renewable energy ventures.
  - c. Increasing Commonwealth support for sustainable infrastructure investments at state and local levels. In this regard Congress welcomes the establishment of the National Reconstruction Fund, Powering the Regions Fund Hydrogen Headstart, the Capacity Investment Scheme and other special investment vehicles, but calls for their support to industry to be tied to fair labour and local content requirements.
  - d. Enhancing the capacity of Australian suppliers of energy storage, solar, wind (onshore and offshore), hydrogen, ammonia, biomass and other renewable energy equipment, services, and essential inputs—especially value-added critical minerals and green metals. This must include market-shaping industry policy support for clean export opportunities.
  - e. Ensuring the legislation establishing the national Net Zero Authority is purpose-built to support the Authority's critical mandate, including by compelling employers to participate fairly in the support and redeployment of workers in transitioning industries, ensuring unions have a central role in negotiating and delivering those supports, and helping drive new clean investment into transitioning regions best fit to continue powering Australia for decades to come.
  - f. Providing support for local manufacturers and suppliers of renewable energy projects to enhance sovereign capability and reduce exposure to supply chain disruptions that risk delaying the energy transition.
  - g. Assisting emissions intensive, trade exposed industries to transition to lower emissions technologies and invest with confidence in new capital upgrades, including through expansion of the Powering the Regions Fund and other vehicles for public investment in decarbonising industries, the continued implementation of an enduring Safeguard Mechanism of the typed legislated by the Albanese government, and the adoption of a targeted and well-implemented Carbon Border Adjustment Mechanism to ensure a level playing field for trade-exposed safeguard facilities as emissions baselines decline.
  - h. Providing tax incentives for electrification and energy efficiency—including the retrofitting of lighting and insulation, and the installation of electric appliances and rooftop solar-- in commercial and large-scale residential buildings.

