FACING THE FUTURE

ACTU Submission to the 2011-12 Federal Budget

ACTU
australian council of trade unions

Working Australia Paper 1/2011

Australian Unions
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CONTENTS

THE ACTU

The Australian Council of Trade Unions is the nation's peak body for organised labour, representing Australian workers and their families.

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THE WORKING AUSTRALIA PAPERS

The Working Australia Papers are an initiative of the ACTU to give working people a stronger voice about social and economic policy. Although low and middle income Australians ultimately bear the costs of poor policy decisions made in relation to tax, infrastructure, retirement incomes, welfare, and services, their voice is too often absent from national debates about these issues.

Working Australia Paper 1/2011

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EXECUTIVE SUMMARY

In 2011, it is clear that Australia's economy is recovering well from the slowdown induced by the Global Financial Crisis and, notwithstanding the impact of the recent floods, is well placed to enter a new period of growth. While there is continued uncertainty and volatility in the global economy, Australia is in a better position than almost any other developed nation.

On the key measures of GDP growth and employment, Australia is outperforming its peers. Indeed, while massive unemployment, tax rises and cuts to services and entitlements are issues facing many other developed nations, in Australia the challenge is how to manage and sustain this growth equitably.

This enviable situation has not come about by accident. Early and comprehensive action by the Labor Government in late 2008 and early 2009 pre-empted the slowdown and provided the stimulus that sustained domestic demand and minimised job losses while most developed nations went into recession. This is a significant achievement that has been cynically undermined by the Coalition for opportunistic political gain.

Over the next 12 months, the nation will face the task of rebuilding and recovery after the tremendous floods of recent weeks. And just as the opportunities for economic growth arising from soaring commodity prices are not spread evenly across our industries and among all Australians, the impact of the floods have been more terrible and devastating for particular communities.

As a nation, we need to take collective responsibility for each other's welfare. Times of natural disaster highlight this basic principle even more. We will need to recover from the setback of the floods and take advantage of the opportunities posed by a renewed resources boom.

Australia cannot afford to coast complacently through another boom as it did for most of a decade under the neglectful watch of the Howard Government. Infrastructure bottlenecks, a massive skills deficit and inadequate growth in productivity were the result of the former Coalition Government's lazy economic stewardship during this period.

The GFC dwarfed these problems and added another set of imperatives to rethink and recalibrate our national economic and social policies. After some early promising signs, Australian unions are concerned that the rapid recovery is leading to a restoration of business as usual. Instead we need to redress the neglect of the Howard years, learn the lessons of the downturn in terms of the need for a more sustainable system of finance and corporate governance and reverse the trend towards a less fair and equal society.

Labour market conditions have improved, but spare capacity remains. The success of the Government's fiscal stimulus packages has helped to ensure that Australia's labour market performance is the envy of the world and suggestions that the Australian economy is confronting major labour supply constraints or unsustainable wage pressures are alarmist and ill-founded.

The 2011-12 Federal Budget should focus on addressing both the short and long-term challenges to Australia's prosperity and economic performance. It is essential that all Australians share in this prosperity, not just the corporate sector.

These challenges include:

- Structural adjustment arising from the terms of trade shock and its effect on the sectoral composition of the Australian economy (ie. the rise of mining and the pressure on other export and import-competing industries):
- The long-term decline of productivity growth;
- Building the capacity of our workforce and encouraging labour market participation;
- The ageing population and its implications for the labour market and the Government's finances;
- The inadequacy of infrastructure investment in recent decades.
- Helping communities and States recover from the devastating 2010-2011 summer floods.

In this submission to the 2011-12 Budget process, the ACTU has identified a number of priority areas that can be addressed by the Federal Government:

- Building a tax system that is fairer and more sustainable, that is progressive, and that improves workforce participation and encourages productivity while accruing sufficient revenue to fully fund high quality public services.
- Implementing election commitments in relation to job and income security, including funding of an enhanced employee entitlements guarantee scheme, and delivering better jobs with good wages and conditions through support for collective bargaining and fairer industrial laws which are reinforced by government procurement.
- Strengthening the economy for the inevitable cost of an ageing population by implementing the election commitment to lifting the Superannuation Guarantee to 12% along with recommendations of the Cooper inquiry which will ensure more of workers' savings end up in their post-retirement incomes.
- Acting on climate change to ensure Australia fully participates in and benefits from the global low-carbon economy, including putting a price on carbon as a priority, providing incentives for investment in clean energy sources, and by compensating working families and protecting jobs in industries coping with structural adjustment.
- Rebuilding the infrastructure of flood affected cities and regions and investing in new infrastructure to expand economic capacity and meet social needs.
- Improving investment in education, skills and training, including apprenticeships, to establish a workforce that is suited to the future demands of Australia's economic growth.
- More tightly regulating financial services to protect the public and consumer interests.

The impact of the floods on the Budget

With current estimates putting the costs of the floods to the Federal Government alone at $5.6 billion, the full economic cost will far exceed this amount. Whatever the final cost, there is little doubt the impact of the floods on agriculture and industry will constrain GDP growth in the short run, but the injection of spending into the economy for the reconstruction may boost growth down the track.

The Federal Government's flood recovery package announced by Prime Minister Julia Gillard on 27 January is generally well-crafted and fair.

The ACTU supports the Government's plan for a progressive one-off levy which exempts flood victims and the majority of workers to help cover the $5.6 billion cost of this summer's devastating floods and maintain existing Government policy priorities.

Considering the massive rebuilding effort that is now required it is only fair that those with the capacity to contribute are asked to pay a one-off levy. A progressive levy that exempts low income workers is one of the options the ACTU has been urging the Government consider. But the cost of the post-flood reconstruction needs to be shared by all sectors of the Australian economies, including the corporate sector, not solely borne by households.

However the Federal Government should proceed with caution in expanding the 457 visa scheme for migrant workers. Unions will not abide a return to the sort of abuses we saw under the former Coalition Government where unscrupulous employers were allowed to exploit overseas workers and to remove job opportunities and push down the wages of Australian workers.

After its election in 2007 the Labor Government tightened up the 457 visa scheme. Unions will work closely with the Government to ensure the scheme is not rorted again. Visas should only be available where there is a genuine need in the job market and where the workers receive the going rates of pay and conditions in the industry. This highlights the importance of tripartite consultation involving government, unions and industry.

And, while it makes sense to re-prioritise infrastructure spending in light of the flood crisis, unions are concerned about the effect of some of the spending cuts. The cut to the Green Car Innovation Fund is particularly unwelcome and may hurt investment and jobs in the car industry which is such a key part of Australia's manufacturing sector. Unions will be closely examining the detail of the cuts announced as part of the flood recovery package to ensure they do not adversely impact on jobs or on our ability to address climate change.

Similarly, the reduction and deferral of funding to the solar and carbon capture and storage flagships is disappointing as public investment in low-emission technologies is important as Australia transitions to cleaner energy industries.

It will also be essential that the Federal Government ensure any spending in relation to the flood recovery is consistent with the Australian Government Procurement Statement which aims to maximise the creation of local jobs, ensure workers enjoy fair pay, conditions and rights and to improve skills and productivity.

ECONOMIC AND FISCAL CONTEXT

The Australian economy has performed well since the recovery began in mid-2009. In 2010, 364,000 jobs were created, pushing the unemployment rate down to 5%, one of the lowest in the developed world. Average weekly earnings (AWOTE) have increased by 5.2%, while inflation is within the Reserve Bank of Australia's target band.

However, the rate of growth slowed significantly in the September quarter. This reflects a number of factors, including the withdrawal of fiscal stimulus, the tightening of monetary policy, and the effect of the high exchange rate on exporters and import-competing industries. It is expected that National Accounts will show that growth in the December quarter was somewhat stronger than in the September quarter.

Output growth is likely to fall somewhat in early 2011 as a result of the widespread floods in Queensland and other states. Over the calendar year, the reconstruction of flood-affected areas is likely to contribute to output and employment growth.

The labour market

Labour market conditions have improved, but spare capacity remains. The labour force underutilisation rate, the sum of the unemployment and underemployment rates, is at 12.4%, still significantly higher than the 9.9% recorded in February 2008. On average, employees are working around one hour per week less than in early 2008. So, while the success of the Government's fiscal stimulus packages has helped to ensure that Australia's labour market performance is the envy of the world, suggestions that the Australian economy is currently confronting major labour supply constraints are incorrect.

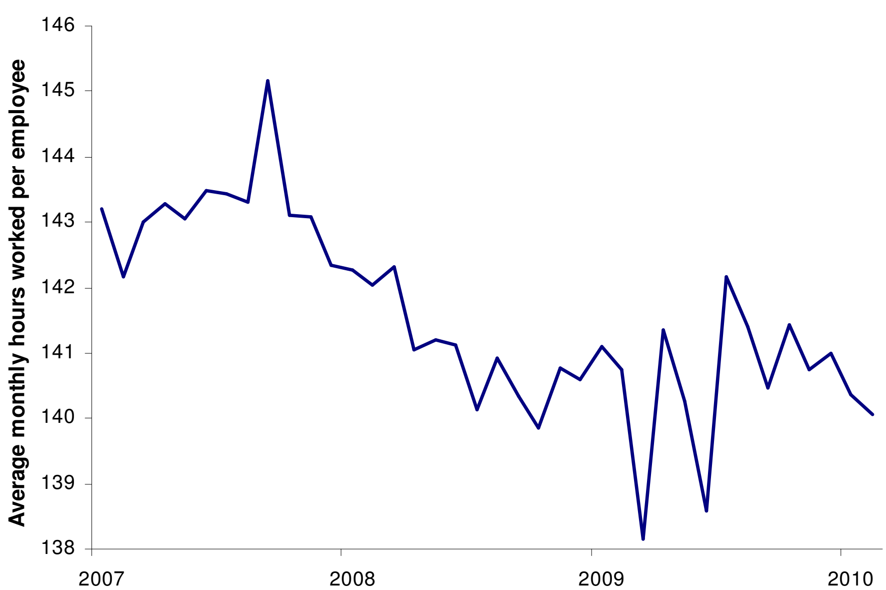
The charts below show the labour force underutilisation rate and the average hours worked per employee over recent years. Each of these measures suggests that there is considerable spare capacity within the labour market to be absorbed before the economy has returned to 2008 levels. The ACTU furthermore does not accept that a labour force underutilisation rate of circa 10% represents 'full employment' in any meaningful sense of that term.

Suggestions regarding alleged capacity constraints in the Australian labour force rest on the simplistic presumption that inflationary pressures will begin to accelerate at any unemployment rate below 5%. While the notion that there will be some increase in inflationary pressures in tighter labour markets is widely accepted, the ACTU does not accept that crude 'rules of thumb' should guide macroeconomic policy.

The Treasury's TRYM model currently suggests that the lowest sustainable rate of unemployment, the NAIRU, is 4.68%. However, we note that the Executive Director of Treasury's Macroeconomic Group, Dr David Gruen, has suggested that there is "some significant margin of error" around estimates of the NAIRU (Senate Economics Legislation Committee, 2 June 2010). We also note that the Secretary to the Treasury, Dr Ken Henry, has suggested that "we tend to chase the NAIRU down. That is to say the NAIRU always ends up being lower than we seem to think it is" (Senate Economics Legislation Committee, 21 October 2010). The Governor of the Reserve Bank, Glenn Stevens, has also noted that the NAIRU "is not a prominent device in the setting of monetary policy" (House of Representatives Standing Committee on Economics, 4 April 2008).

Labour force underutilisation rate: November 2005 to November 2010

Average hours worked per employee: November 2007 to November 2010



There is currently no sign of average wages growth running at unsustainable levels. All major measures of wages growth, including the Wage Price Index, Average Weekly Ordinary Time Earnings, and Average Annualised Wage Increase per employee covered by a collective agreement, are all at or around their long-term average. The cost of living for employee households, as measured by ABS 6463.0, currently exceeds some measures of wages growth. The wages share of national income has continued to fall, and is now at its lowest level since 1964.

The ACTU therefore recommends that the Federal Government not significantly adjust either its overall fiscal stance or its policy in relation to particular areas such as social security or skilled migration on the basis of suggestions that there is an inadequate supply of labour and/or unsustainable increases in average wages.

Budget strategy

The ACTU notes that the Government has committed to a fiscal strategy that will see the Federal Budget record a surplus in 2012-13. It has recommitted to this target in its response to the impact of the recent floods.

However, the ACTU believes it would be detrimental to Australia's long-term prosperity for the extra costs of the floods to result in a substantial reprioritising of important Government spending initiatives including investment in infrastructure, or cutbacks to recurrent expenditures on health, education and other services.

The ACTU urges the Government to show caution in offsetting publicly funded services against that priority, as well as funding the reconstruction effort following the floods.

While it makes sense to re-prioritise infrastructure spending in light of the flood crisis, unions are particularly concerned about the effect of some of the spending cuts announced by the Prime Minister on 27 January 2011.

The cut to the Green Car Innovation Fund is particularly unwelcome and may hurt investment and jobs in the car industry which is such a key part of Australia's manufacturing sector. Measures to ensure future investment in new automotive technology should remain a priority. The industry has been hard-hit by the high Australian dollar and the GFC, and great care needs to be taken to ensure that jobs and future investment are priorities.

However, unions welcome the progressive nature of the proposed one year flood levy.

The levy of 0.5 per cent will be applied from July 1 2011 on taxable income between $50,001 and $100,000, and 1 per cent on incomes above $100,000. It is equitable that the majority of workers (approximately 60%), including a large proportion of part time workers and those on low incomes will not have to pay the levy at all.

Large numbers of workers will pay no levy at all. Those with incomes between $50,000 and $100,000 a year will pay a 0.5% levy on their marginal income, or up to $250. Less than 10% of workers will pay the higher rate of 1% on income above $100,000 a year.

TAX REFORM

The ACTU advocates a tax system that meets the community's needs by:

- Providing for fair redistribution of wealth and income through equitable and progressive taxation;
- Obtaining an appropriate return for the Australian people for the sale of non-renewable resources;
- Collecting sufficient revenue to fully fund the universal provision of high quality services; and
- Encouraging socially, economically and environmentally useful activity and discouraging activity which is destructive and unproductive.

Towards these ends, the ACTU advocates reform that adheres to the following principles:

- Everyone should pay their fair share of tax, and tax avoidance strategies such as trusts and sham contracting arrangements should be addressed;
- Disincentives that arise in the interaction between the tax and transfer systems for people entering the workforce should be reduced;
- Inconsistency in the taxation of assets and asset income should be reduced or removed;
- The progressivity of the personal income tax system should be increased, not reduced;
- The share of revenue that is derived from business sources should not be reduced;
- Tax expenditures should not favour high income earners;
- The tax system should not negatively affect housing affordability; and
- Environmentally sustainable behaviour should be promoted.

The ACTU has considered the recommendations of the Australia's Future Tax System Review report ('AFTS report'), also known as the report of the Henry Review, in light of these principles.

The report of the Australia's Future Tax System Review

The AFTS report contains many worthwhile recommendations, some of which have been adopted by Government in its initial policy response and some of which remain outstanding. Some of the report's recommendations are worthy of consideration in the 2011-12 Budget, particularly those which are directed towards:

- Reducing opportunities for tax avoidance;
- Removing inequitable superannuation concessions for high income earners;

- Reducing high effective marginal tax rates for people entering the workforce; and
- Addressing housing affordability.

The Review also contains a number of recommendations that the ACTU believes would be harmful to Australian society. For example, it recommends an effectively flat personal income tax system for the vast majority of taxpayers, undermining the progressivity of the system. The Review also recommends that the company income tax rate be reduced to 25%, which would result in a further reduction in business' share of tax revenue if not accompanied by other revenue measures.

Personal income tax

The Review recommends a radical reshaping of the personal income tax system that would deliver tax cuts for part-time workers and some welfare recipients, tax increases for low to middle income full time workers, and significant tax cuts for high income earners. The Review effectively proposes a flat personal income tax system, with a constant 35% marginal rate applying to 97% of taxpayers, and the abolition of the Medicare Levy and a range of offsets including the Low Income Tax Offset and the Senior Australians Tax Offset. The table below shows ACTU estimates of what the Henry proposal would mean for ordinary workers at various income levels[1].

Type of worker	Technical description	Taxable income	Tax cut or increase under Henry proposal
Average adult worker	Adult average weekly total earnings (AWE)	$50,800	$146/year tax increase
Average full time adult worker	Full time adult average weekly ordinary time earnings (AWOTE)	$65,400	$73/year tax increase
Median worker	Median weekly total cash earnings (all occupations)	$43,700	$182/year tax increase
Minimum wage worker	Full time worker at the National Minimum Wage[2]	$29,600	$874/year tax cut
Part time worker, 19 hours per week, average hourly wage	0.5 x AWOTE	$32,700	$409/year tax cut
Unemployed worker	Newstart (single)	$12,032	no change

[1] Note that all averages (AWOTE, etc) and the National Minimum Wage have been rounded to the nearest $100/year

[2] Calculated using the minimum wage current as at 20/1/2011 of $570/week

High income earners would receive significant tax cuts under the proposed system, as demonstrated in the table below:

Taxable income	Tax cut under Henry proposal
$100,000	$200/year tax cut
$250,000	$4050/year tax cut
$500,000	$7800/year tax cut
$1,000,000	$15,300/year tax cut

Workers whose earnings are in the range of AWOTE plus or minus approximately $20,000 would pay more tax under the proposed system, while high income earners would pay significantly less. This proposal would further reduce the progressivity of the personal income tax system, which has already been eroded significantly in the past decade.

Workforce participation and the tax/transfer systems

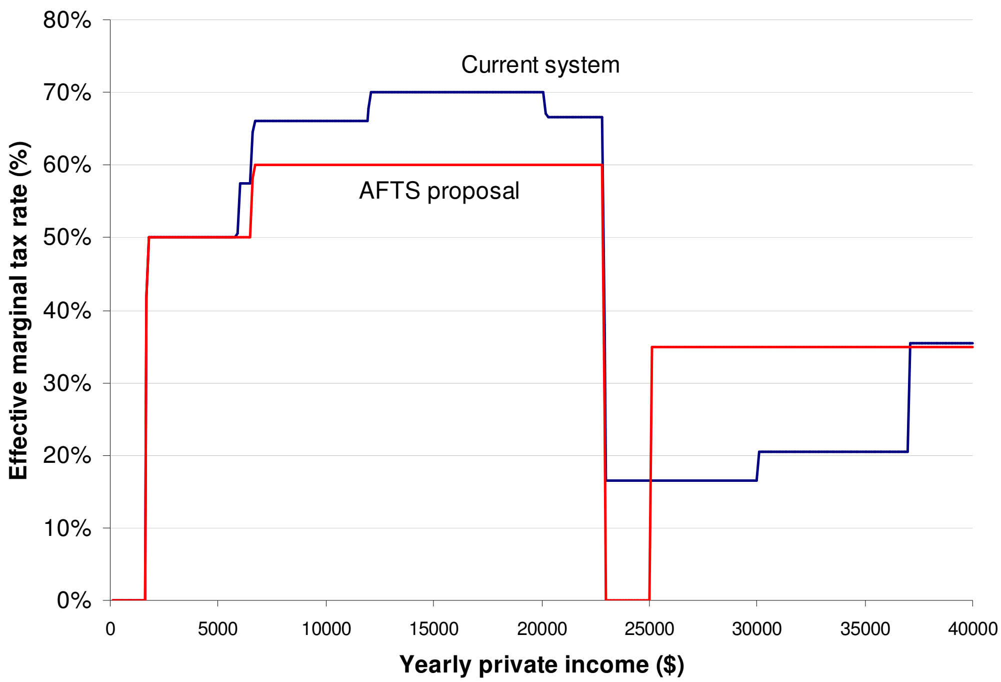
It is widely recognised that the interaction of the personal income tax system and the transfer system can result in disincentives for some people to participate in the workforce. These disincentives are often assessed by examining effective marginal tax rates (EMTRs), the sum of an individual's marginal tax rate (taking into account various offsets and levies) and the withdrawal rate of their social security benefits.

The ACTU agrees that assisting and encouraging people to participate in the workforce should be a goal of public policy, and that disincentives in the tax system should be addressed. However, the effect of the 'indicative' tax rate structure proposed by the AFTS review on work disincentives has been oversold by some commentators. Furthermore, there is no reason why the AFTS proposal to address work disincentives by increasing the tax free threshold should necessarily be accompanied by reductions in the marginal rate paid by high income earners.

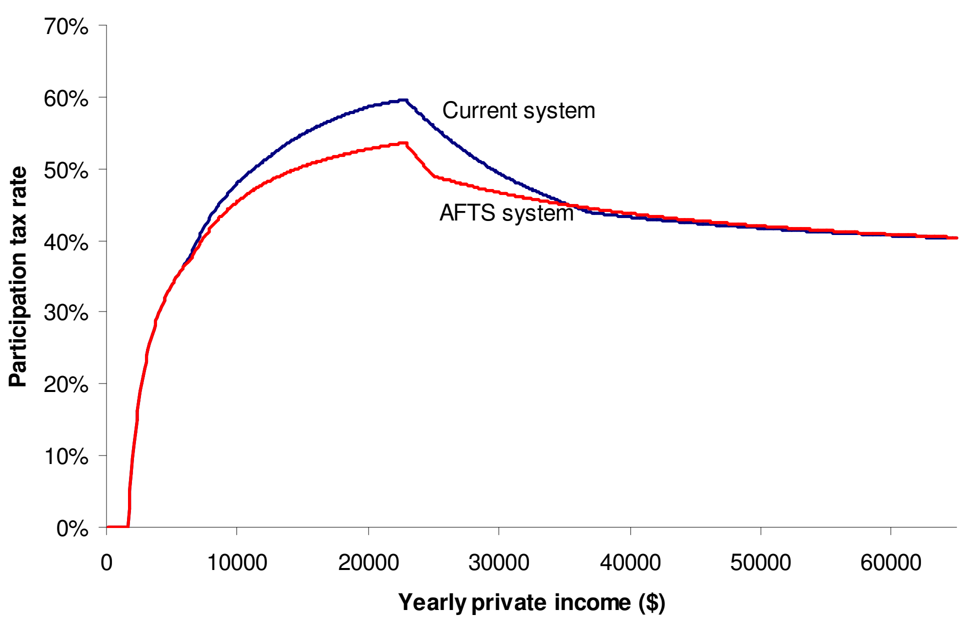
ACTU analysis suggests that the personal income tax structure proposed by the AFTS review would cut EMTRs for some low income earners (those with yearly private incomes of between $6001 and $25,000), while raising EMTRs on others (those with yearly private incomes of between $25,001 and $37,000).

The proposed structure would therefore encourage increased workforce participation by some part time workers, but would reduce incentives for others to increase their labour supply. The EMTR increases between $25,001 and $37,000 would be greater in magnitude than the reductions at lower incomes.

EMTRs for single adult Newstart recipient



PTRs for single adult Newstart recipient



Work disincentives are also sometimes assessed using Participation Tax Rates (PTRs), rather than EMTRs. PTRs examine the effective average tax rate that is faced by individuals who move from earning no private income to earning a particular amount of private income.[3] ACTU analysis suggests that the AFTS proposal would cut PTRs for some lower income individuals on Newstart Allowance, while increasing PTRs at higher levels of private income.

This suggests that, while some individuals would face a lower effective tax rate if they moved from Newstart Allowance to part time work, other individuals who moved from Newstart to full time work would face higher PTRs. The ACTU estimates that PTRs in the AFTS system would be slightly higher for workers who moved from Newstart Allowance to a full time job that paid more than approximately $35,000 per year, or $18 per hour. This would include all award-dependent employees employed at the C9 classification level or above. The PTR increase at these levels of income would be negligible, but the point remains: the AFTS proposal is no panacea for promoting workforce participation.

The AFTS proposal to introduce a flatter personal income tax scale and abolish the Medicare Levy and a range of offsets is estimated by Treasury to have a full year cost of approximately $3 billion. This reform would undermine the progressivity of the system while yielding only minor reduction in work disincentives for some workers and increases in disincentives for others.

Business tax, including the MRRT package

The ACTU welcomes the Australian Government's proposed Minerals Resource Rent Tax (MRRT) and expanded Petroleum Resource Rent Tax and strongly believes that both initiatives are highly positive developments for the nation. Resource rent taxation will return a fairer share of windfall gains to the owners of non-renewable resources, the Australian people, and will enable investment in the future via an increase in the Superannuation Guarantee. The MRRT regime may also help to reduce some of the negative effects of the mining boom on other sectors of the economy. The MRRT will be less distortionary than the present royalty system for iron ore and coal.

The "commodities super-cycle" driven by increased demand from China and India is expected to endure for decades. The 2010-11 Federal Government Budget observed that "there are reasonable grounds – in particular, an expectation that global demand will continue to grow strongly for an extended period – to believe that the terms of trade and mineral resource prices will be sustained at high levels for some time".[4] There are some signs that commodity prices may decline slightly from the record highs experienced in recent years as supply expands in other jurisdictions, but prices are expected to remain elevated well above historical levels. It is therefore prudent for the Federal Government to plan for the nation's future with this central forecast in mind. Failure to implement an improved system of resource taxation now would leave Australia worse off in the coming years and decades.

[3] This definition is used by the OECD 2010, *OECD Economic Surveys Australia,* Volume 2010/21, Supplement 3, p.129.

[4] Commonwealth of Australia 2010, *Budget 2010-11,* Budget paper no. 1, p.4-10.

The ACTU considers the new system of resource taxation is needed:

- On equity grounds, to deliver an appropriate return to the owners of Australia's non-renewable resources);
- On efficiency grounds, as rent taxes are less distortionary than royalties;
- And on macroeconomic grounds, as the tax and its revenue can be used to ameliorate the negative effects of a mining boom on other industries and deliver a more balanced economy overall.

The announcement of the MRRT means that the reduction in company income tax will not reduce the total share of tax revenue that is paid by business. This is consistent with the ACTU's policy. The revenue from resource taxes will be used to fund initiatives that the ACTU has called for, including an increase in the Superannuation Guarantee, more equitable tax treatment of superannuation contributions, investment in infrastructure, and introducing a concession for income from savings.

The ACTU believes that there is no justification for a 'race to the bottom' on company income tax, and that any further reductions in the rate of company income tax should be offset by other revenue measures whose incidence falls on business.

The ACTU urges the Federal Government to put in place a clear process to implement the MRRT in the 2011-12 Budget.

Other issues

Independent contractors and tax avoidance

The ACTU advocates significant reforms aimed at reducing the ability for individuals to avoid tax by disguising employment relationships as business-to-business relationships, and thereby disguise personal services income as company income.

Housing affordability and inconsistencies in tax of asset income

The AFTS Review made a number of recommendations in this area. The Government has introduced a 50% tax deduction for interest income, and COAG has announced a review of housing supply. The ACTU remains concerned that elements of the tax system can reduce the availability of affordable housing, and calls for reform in this area, including reconsideration of the AFTS recommendations.

Superannuation and the environment

Taxation issues relating to superannuation and the environment are discussed in other sections of this submission.

JOB AND INCOME SECURITY

Secure jobs and incomes for Australian workers are essential to achieving a sustainable and equitable economy. Settings in the 2011-12 Federal Budget can play a role in achieving this goal.

Precarious employment

Forty percent of working Australians work in non-standard forms of employment. These include over 2 million casuals, more than 1 million contractors and almost 300,000 fixed-term workers (ABS cat 6359.0, 2009). These workers generally do not enjoy the same rights as permanent workers, including unfair dismissal rights, sick leave and annual leave. They generally lack security of incomes and employment, despite performing the same work as regular workers.

The ACTU recommends the Government establish an independent body to investigate the quality of jobs and working life in Australia. It should initially focus on the problem of precarious employment, studying its causes and its social and economic consequences. The body should be empowered to make policy recommendations to government, and to make representations to regulators, such as Fair Work Australia. The cost of such a body would have a minimal impact on Federal Government finances, and could be easily offset by the abolition of the Australian Building and Construction Commission or even a modest reduction in its budget allocation (approximately $30 million per annum).

There is already precedent at the Federal Government level for the creation of such bodies. For example, the Australian Institute of Family Studies investigates matters of family well-being. It has an annual budget of approximately $4 million.

Protection against disability

Tragically, many Australians become permanently disabled at work as well as commuting to and from work. A range of schemes (including workers' compensation, Medicare, transport accident insurance, private insurance and pensions) operate to support workers who acquire disabilities.

The ACTU supports filling the gaps of this safety net with a comprehensive disability insurance scheme. The Government's National Disability Investment Group has already costed such a scheme (covering workers as well as non-workers) at $0.97 billion if the scheme were to commence in 2011, rising to more than $4 billion by 2020 (NDIG, *The Way Forward*, 64). This proposal is currently being considered by the Productivity Commission.

The ACTU recommends the Government adopt the proposal following the report of the Commission.

Protection against unemployment

The Global Financial Crisis confirmed that unemployment can strike any worker at any time. Currently, the only support for unemployed workers is the Newstart Allowance, and private savings. As the OECD has recently noted (*OECD Economic Survey 2010*, p 127) the unemployment payment is inadequate: it is currently $234.85 per week for a single person, which is only 19% of average adult weekly ordinary-time earnings (ABS cat 6302.0, Aug 2010), and 31% of median disposable household income (OECD; ABS cat 6523.0).

As an immediate first step, the single rate for Newstart should be increased to two thirds of the partnered rate (*ACOSS paper #163*, p38). This would involve an increase of $47.82, to $282.67 per week.

In November 2010, there were 551,840 people receiving the Newstart allowance (DEEWR, Labour Market and Related Payments); it is estimated that up to 60% of recipients receive the single person's rate (ABS cat 4102.0, March 2010, p 20; FaHCSIA, *Pension Review: Background Paper*, August 2008, 44). Accordingly, an increase in the single Newstart rate of $47.82 per week would cost the Government approximately $823 million, based on these figures.

Over the medium term, the ACTU recommends the Government progressively increase the Newstart payment, to match the Age Pension, which is currently $329.20 per week for singles.

Fair wages

Australian workers are not receiving their fair share of the wealth they are generating through their own productivity. Wages account for 53% only of national income, down from 63% in the 1970s. The share of national wealth that goes to company profits has soared commensurately (ABS cat 5204.0, 2010).

The ACTU recommends the Government help Australian workers obtain their fair share through fair minimum wages and union collective bargaining.

The modern award system provides the minimum wage in Australia. The current minimum wage is only $15 per hour, but the cost of living for employees is increasing at 4.6% per annum (ABS cat 6430.0, 2010). The ACTU recommends the Government support a minimum wage increase that, at the very least, meets the prevailing rate of inflation in living costs. If these increases were awarded, they would have almost no impact upon the Government's revenue, and result in only marginal increases to the Government's total expenditure (direct and indirect) on wages.

The best way for workers to achieve fair wages is through collective bargaining which allows workers to share in success of the enterprise in which they work. These wages are wholly sustainable where they reflect the productivity of the enterprise and the demand for its products. For example, in the mining sector, since September 2001, as total sales have increased by 174% (in real terms), gross operating profits have increased by 226%, while wages have risen by 27% (ABS cat 5676.0, Sep 2010, adjusted for inflation). These figures suggest that recent wage increases can easily be sustained. The same is true for other successful industries.

However, the full economic and social benefits of collective bargaining cannot be secured unless the legal framework for bargaining promotes efficient and effective bargaining. The ACTU continues to recommend that the Government amend the Fair Work Act to:

- Provide collective bargaining on a multi-employer basis, where this is in the public interest;
- Permit bargaining on the full range of issues that matter to workers, including measures to tackle precarious employment, and initiatives to reduce damage to the environment;
- Ensure that workers covered by collective agreements have access to effective dispute resolution mechanisms during the life of the agreement.

These measures involve no fiscal cost to the Federal Government, however a greater incidence of effective collective bargaining will benefit the economy and tax revenues, by helping to spread productive changes to work and management practices across the economy.

The ACTU also recommends the Government support measures to spread collective bargaining to low paid workers, by supporting unions' 'low paid bargaining' applications made under the Fair Work Act. The Liquor Hospitality and Miscellaneous Union and Australian Workers' Union of Employees, Queensland, have applications on foot in relation to some of the more than 80,000 aged care workers in Australia. These workers are generally female, low paid, and face difficulty accessing collective bargaining. The unions are seeking to negotiate an agreement with the aged care employers and with their funders (principally, the Federal Government), which will both improve productivity and service quality as well as lifting workers' wages and conditions. The ACTU recommends the Government fully budget for a successful outcome to these negotiations.

Finally, the ACTU recommends the Government use its overall economic footprint (in relation to procurement, grants and regulation) to more actively to promote collective bargaining and fairer wages and conditions. The Government should conduct a properly resourced review of the effects of expenditure and regulation to ensure its decisions promote collective bargaining, fair wages and conditions and increased productivity.

Equal wages

Wages cannot be fair if they reflect gender bias. The Fair Work Act contains improved Equal Remuneration provisions to correct wages for this bias. Five unions have made a historic application for an Equal Remuneration Order in the social, community and disability sector, seeking wage increases of 14% to 50% in the sector, depending on skill level, phased in over at least 4.5 years.

We are pleased that the Australian Government (which currently provides half of all funding to the sector) has re-affirmed its commitment to the case and to 'working through' how funding for any additional wage increases might be split between federal and State/Territory governments (Heads of Agreement with the ASU; 30 October 2009; Letter from Minister Evans, 13 December 2010).

We recommend the Government make full provision in the Budget to supplement its funding to the social and community services sector on the expectation that the unions' claim is fully granted.

Employee entitlements

Too often in recent years, working Australians have been left shortchanged by company collapses and suffered a double-whammy of not only the loss of their job, but also of their entitlements to redundancy pay, superannuation and leave. Despite regular calls from unions, it has been a travesty that the General Employee Entitlements and Redundancy Scheme was left unchanged even though there was substantial evidence that it was not providing full protection of employee entitlements. In particular, GEERS was inadequate because it capped redundancy payments at 16 weeks, regardless of length of service.

The Federal Government has delivered on its election pledge to improve on GEERS with a new scheme called the Fair Entitlements Guarantee, which will mean that 97% of workers would receive their redundancy entitlements in full in cases where their employer went out of business without having made provisions for entitlements. The changes will guarantee redundancy pay of up to four weeks wages for every year of service. It will also guarantee all annual leave, all long service leave and up to three months of unpaid wages. This began at the start of 2011.

It remains a fact that failure of employers to properly make provision for employee entitlements is effectively theft from the pockets of workers, and the ACTU urges the Government to deliver on the rest of its election pledge, in particular, a crackdown on phoenix companies, where directors shift assets to avoid their obligations to employees. This must be backed by strong and harsh penalties for company directors who engage in such practices.

Abolish the ABCC

No worker should have to work under threat of being fined $22,000 if they stop work for any reason; being forcibly interrogated by a government agency if they stop work, or see others stop work; and going to jail if they refuse to participate in the interrogation. Despite the United Nations' labour rights agency, the ILO, condemning these laws as a breach of Australia's legal obligations, and a breach of human rights, this scenario remains an ever-present reality for building and construction workers.

The ACTU repeats its calls for the Government to abolish the Australian Building and Construction Commission altogether, and to repeal the Howard Government's Building and Construction Industry Improvement Act. The savings incurred in doing so would be in the order of $30 million per annum (the regular budget of the ABCC).

SUPERANNUATION AND THE CHALLENGES OF AN AGEING POPULATION

Australia is an ageing society. By 2050 the number of people in Australia aged from 65 to 84 years is expected to more than double. The number aged 85 and over is expected to quadruple.

While the proportion of the population aged 65 and over is expected to increase by at least 100 per cent the number of children and prime-age working people is expected to increase by less than 50 per cent.

The consequent increase in the ratio of retirees to employees requires policy action today to help ensure that those who retire in the years ahead are able to sustain a standard of living for the remainder of their lives that does not fall below levels consistent with a reasonable level of comfort and dignity.

For younger workers the key focus must be on maximising their retirement savings. For workers who are approaching retirement sooner rather than later action is needed to ensure that our public pension system provides levels of support consistent with a reasonable minimum standard of living.

To this end the Government has announced and implemented some important measures in recent years. These include:

- A commitment to increase the SG rate from 9 to 12 per cent in steps between 2013 and 2020;
- A new Government co-contribution for workers with incomes up to $37,000 with the result that such workers will not pay tax on their SG contributions in 2012-13;
- From 1 July 2012 workers aged 50 and over with super balances below $500,000 will be allowed to make to $50,000 a year in concessional super contributions;
- The introduction of a new low-cost default superannuation product which will ban hidden fees and commissions;
- Increases to the age pension for singles and couples in addition to the usual annual indexation;
- Higher benchmarks for setting the full age pension level for singles and couples relative to Male Total Average Weekly Earnings.

Unions have welcomed these measures. However, we believe the forthcoming Budget provides a valuable opportunity for the Government to make further progress toward increasing the adequacy and equity of our retirement income system. In particular we believe the Government should commit to taking action on the following issues.

Defining adequacy

A coherent long-term retirement income policy is only possible if we are clear about what constitutes an 'adequate retirement income'. Implicit definitions of adequacy appear to be at work in some of the analysis produced by Government. But it is not always clear how these definitions have been calculated and if the assumptions being made (for example, in relation to the use of lump sums) are realistic.

In February 2009 Industry Super Network and the Australian Institute of Superannuation Trustees, with the support of the ACTU, made a submission in response to the retirement income consultation paper issued as part of the broader inquiry into our tax system being led by Dr Ken Henry. That submission proposed a definition of adequacy and the role that public policy should play in delivering it.

The ACTU recommends that in the 2011 Budget the Government commits to consulting with interested parties with the aim of adopting an official definition of an adequate retirement income.

Improving adequacy

Few in the superannuation industry and those non-government organisations concerned with the long-term welfare of our community believe that a mandatory Superannuation Guarantee rate of 12 per cent will be sufficient to provide adequate retirement incomes for many future retirees. In recognition of this some employers in Australia already make contributions in excess of 12 per cent on behalf of their employees.

In the absence of a higher mandatory SG rate many of the lowest paid and most vulnerable workers in Australia, particularly those with broken and uneven employment histories, will lack the resources they need to enjoy a reasonable standard of living in retirement.

This is particularly the case for many women who periodically leave the labour force to have children.

The ACTU recommends that in the 2011 Budget the Government as a priority introduces legislation to increase the SG to 12%, and announces its intention to increase the mandatory SG rate to 15 per cent.

In relation to women who have children the Government should introduce a means-tested 'super baby bonus' that would involve Government making a $1500 contribution to a woman's super account when they have a child.

Improving equity

The Government has recognised that the concessional tax treatment of contributions offers little or no benefit for many workers on low incomes. While the new Government co-contribution will help many on low-incomes it remains the case that those on high marginal personal tax rates will continue to benefit disproportionately from present tax arrangements.

The ACTU has previously suggested a number of ways in which the tax treatment of contributions could be made more equitable and socially just, such as taxing marginal contributions at 15 per cent below marginal personal income tax rates.

The 2011-12 Budget provides an important opportunity to return to this issue and announce that the Government intends to consult with the aim of implementing measures during the coming year which will further enhance the equity of how contributions are taxed.

Public annuities

For a range of accounting and taxation reasons the private market for life-time annuities in Australia remains small and underdeveloped. In the absence of a liquid market the state will continue to bear the inflation, investment and longevity risks inherent in retirement.

The ACTU, ISN, AIST and the Henry tax review panel, among others, have argued that government should act to develop a market that would enable retirees to better manage the retirement risks they face. In particular, we have supported the call by ISN and AIST for the Government to offer a lifetime annuity product based on selling increases in the age pension in return for a lump sum investment by the retiree.

The ACTU recommends that the Government announce its intention to offer public lifetime annuities along the lines proposed by ISN and AIST.

Building our nation

When unions began to establish industry funds it was always part of our vision that the capital raised should be used, in part, to help develop our collective economic and social infrastructures.

The ACTU has previously suggested how government could mobilise workers' capital for infrastructure development, such as offering national development bonds and/or establishing a National Infrastructure Financing Corporation.

The ACTU recommends that the Government uses the opportunity of the 2011-12 Budget to announce that it intends to establish guaranteed investment vehicles appropriate to attracting the voluntary investment of workers' capital for nation building purposes.

Improving public provision

Given that our mandatory superannuation system is less than 20 years old, and for most of the period since being established contribution rates have been at levels inconsistent with accumulating adequate balances, many workers will continue to rely on the age pension to fund their retirement. It is therefore important that the value of the age pension is consistent with enabling workers with low personal account balances to have a reasonably comfortable standard of living in retirement.

The ACTU recommends that the Government commits to establishing a new benchmark for the maximum single age pension of 35 per cent of Full Time Adult Average Weekly Ordinary Time Earnings and a single-couple equivalence of 70 per cent. The Government should commit to achieving these benchmarks by 2025.

CLIMATE CHANGE

Climate change is the one of the most pressing economic, environmental and social challenges we face. Urgent and decisive action that reduces greenhouse gas emissions, improves energy efficiency and supports the transition to a low pollution economy, including clean economy job creation, is necessary.

Price on carbon

The introduction of a price on pollution is fundamental if Australia is committed to shifting to a low pollution economy. Acting without a price on pollution will require more real resource expenditure to achieve the same pollution reduction target. A strong price on pollution is needed to provide a price signal to underpin the commercial viability of low pollution, renewable energy and energy efficient technologies. Delay and unclear signals on climate change policy risks locking in more polluting and expensive infrastructure investments.

The anchoring of Copenhagen commitments (which cover over 80% of the world's emissions) in the United Nations process in Cancun was important in progressing international efforts to decrease pollution.

The commitments also reflect the fact that action is already being taken at a national level around the world to respond to the challenge of climate change by reducing pollution and promoting clean energy sources. Worldwide investment in clean energy totaled US$162 billion in 2009, but only US$1 billion of this investment was in Australia. By 2020, it is projected that clean energy will be one of the world's largest industries, totally as much as US$2.3 trillion.

Australia needs to take prompt and decisive action to remain competitive and benefit from the global clean energy economy.

A national pollution limit and a rising pollution price needs to be legislated in 2011, with commencement in 2012.

When introducing a price on pollution, the Government has an obligation to ensure that the required abatement is achieved in the most cost-effective manner and through measures that maximise sustainability of industries, drives growth in clean economy jobs and services, and supports low income households.

Energy efficiency

Even with the introduction of a price on pollution, a range of supporting policies are necessary to support the transition to a low pollution economy prior to the pollution price fully reflecting opportunity costs. For example, supporting policies need to promote the renewable energy industry and energy efficiency efforts in the period before the pollution price is high enough to make them competitive in the market.

Energy efficiency measures are important alongside a price on pollution to ensure Australia transitions to a low pollution economy. At present, however, privately and socially cost effective energy efficiency options are not being adopted. A range of price and non-price market failures are at fault. There is an important role for Government in providing a clear direction, supportive policies and investment to address incentive misalignments, bounded rationality and capital constraints.

We encourage the Government to adopt an ambitious energy efficiency strategy that is clear, coherent and comprehensive. An overarching policy is needed to streamline and better target government policies and measures. It is also important that the strategy integrates industry policy.

Industry policy

Climate change action that focuses on investment, efficiency and innovation makes environmental policy good industry policy. As such, climate change policy needs to integrate an industry policy focus so that outcomes can be maximised. This includes associated job benefits and national interest considerations in sourcing locally to generate demand and jobs, consequently accelerating growth through the transition to a low pollution economy.

Jobs in the transition to a low pollution economy

The assumption that the shift to a low pollution economy will result in job losses does not hold true if accompanied by transitional assistance measures. Research commissioned by the ACTU and the ACF highlights the employment creation opportunities of acting strongly on climate change. With the right policy drivers to cut pollution, it is estimated that an additional 770,000 jobs could be created across the Australian economy by 2030.[5] This followed earlier research by the CSIRO which showed that a well managed transition would have little or no impact on national employment, with a marked increase in jobs projected over the next decade.[6]

A 'just transition' to a low pollution economy must focus on investing in clean energy jobs, reducing the carbon footprint of current jobs and protecting existing jobs. For some regional communities, the impact of a pollution price on their local industries and economies will be more acute than others. It is imperative these communities are assisted to successfully adapt their industries and build new industries to ensure decent living standards, job opportunities and services continue to thrive in these areas.

We must start now identifying and prioritising the green skills development, knowledge and work needed for a low pollution economy.

The ACTU welcomes the establishment of climate change consultation mechanisms for 2011 including the Multi-Party Climate Change Committee and associated Government processes. It is essential that government consultation and public debate on the issue of responding to climate change includes the voice of all stakeholders including unions.

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[5] ACTU & ACF, *Creating Jobs – Cutting Pollution: The Roadmap for a Cleaner, Stronger Economy,* 2010.

[6] S. Hatfield-Dodds et al., *Growing the Green Collar Economy: Skills and Labour Challenges in Reducing our Greenhouse Emissions and National Environmental Footprint,* Canberra: CSIRO, June 2008.

Flood recovery

The ACTU calls for a flood reconstruction effort that focuses on investing in infrastructure, businesses and homes that are sustainable, less polluting, and more resilient to the impacts of climate change. This includes, for example, planning that considers future extreme weather events, investment in low pollution technologies and a commitment to the highest energy efficiency standards. Such a reconstruction meets the short and long term needs of affected communities, including dealing with the challenge of climate change.

EDUCATION, SKILLS AND TRAINING

Continued investment in training and skills development is the key to improving Australia's productivity performance, meeting the skills needs of Australian businesses, and providing Australians with access to higher-paid, higher-skilled jobs and expanded future career opportunities. This is a shared responsibility of Government and industry.

The Government, to its credit, made some important steps on the skills front during its first term, after years of funding and policy neglect. These measures include:

- The establishment of Skills Australia which has been a critical addition to the institutional framework for skills policy in this country;
- The roll-out of the Productivity Places Program;
- Critical support for apprenticeships during the height of the GFC;
- New investment in the 2010 budget to support language, literacy and numeracy training as part of a $660 million skills package; and
- The commitment to a new national VET regulator beginning in 2011.

It is vital that this momentum and investment is maintained through the second term, starting with the 2011-12 Budget and looking ahead to the next Commonwealth-State funding agreement.

Vocational Education and Training

Skills Australia has calculated that to meet COAG targets to deepen the national skills base there will need to be a 3% increase in the number of VET enrolments annually each year to 2020, effectively a one-third expansion of the VET system over the next decade or so. This will require an additional $600 million investment per annum during that period.

The future funding model for VET needs to ensure that this investment is clearly linked to industry skill needs and priorities, as well as equity objectives, and takes account of the true cost of delivering training. This includes services that support improved access and participation for disadvantaged learners, and the costs of delivering in rural and remote areas.

The ACTU strongly opposes any measures to further shift the cost burden of training onto the individual. This is particularly important in the VET sector which has always had an important and distinct role to play in serving the needs of a diverse student profile, including the opportunity for 'second chance' learning for disadvantaged groups and individuals. It is vital that this feature of the VET sector continues to be supported as part of the broader participation and productivity agenda.

The ACTU also supports the establishment of structured industry contributions or levies, backed by legislation where necessary, to support greater investment in training, skills and workforce development.

For example, we have advanced this as an option in the resources sector, where the final report of the National Resources Sector Employment Taskforce found the sector would need to double its number of apprentices to be on a par with the training rates in other sectors. In a sector like resources, a levy would help tackle existing employer under-investment in training which has been accommodated by easy access to temporary migrant workers under the 457 visa program and the capacity to poach workers from other sectors. Co-funding of training programs with industry contributions is another important model and should be continued.

The ACTU emphasises that the various targets set by COAG and Skills Australia to improve the number and level of skills and qualifications, to improve workforce participation, and to expand the number of enrolments, cannot be met without a VET workforce that itself is well-skilled and qualified to teach, train, and assess a diverse learning population.

As set out in the ACTU submission to the current Productivity Commission study, this requires a national workforce development strategy for the VET workforce that addresses the level and quality of teaching qualifications in the sector, opportunities for professional development and stronger links with industry, and measures to address the unacceptably high levels of casual employment, including through the introduction of casual conversion clauses, for example.

The ACTU strongly supports the renewed focus on language, literacy and numeracy. When 4.5 million Australians need additional training in literacy and numeracy this is a challenge of major proportion. Efforts to increase workforce participation and productivity rely on these foundation skills and there is overwhelming research that learning in context works. The $120 million dollar investment in the 2010-11 budget was a good start and there is a shared responsibility to build on this with the development of a National Foundation Skills Strategy.

The ACTU also supports these further priority areas:

- A well-resourced and effective national VET regulator. It is vital this new body has the resources it needs to vigorously regulate and audit the performance of RTOs and ensure they are held accountable for the training they deliver, as well as enforcing rigorous standards for entry into the 'market' at the front end;
- Well-resourced Industry Skills Councils to provide the voice of industry in the VET system.
- Recognition and support for the critical role of TAFE as the public provider of training and skills development.

Tackling skills shortages

The issue of skill shortages is again occupying a large part of the public policy debate in this area, and we recognise this will be an ongoing focus of Government policy.

Based on the evidence and experience of our affiliated unions with membership across the workforce, we do raise some doubts over the extent of genuine skill shortages as reported in the media and by employers, given that many skilled and qualified workers continue to be underemployed or without work at all and there is large unmet demand for apprenticeship places.

Nonetheless, our view is that where skill shortages do exist more can still be done to train and employ groups currently under-represented in the workforce, such as older workers, indigenous workers, women, school leavers and the unemployed, rather than resorting to options such as poaching workers from other sectors and temporary 457 migration.

In this respect, we welcome the renewed interest in the role of apprenticeships. The apprenticeship system is a vital ingredient in improving the national skills base while also giving those workers the broad-based transferable skills they need for a career in an industry or occupation. However, current apprentice completion rates at around 50% are not acceptable and we look forward to a timely Government response to the report of the Apprenticeships Expert Panel which is due to be presented to the relevant Minister in early 2011.

In areas like the resources sector, the ACTU and affiliates have also called for the establishment of co-operative tripartite bodies to provide the necessary oversight and co-ordination of workforce planning for the next five to 10 years, and unions are always prepared to work with employers and governments to help fill positions locally.

Skilled migration

The ACTU has been a long-standing supporter of a robust immigration program and recognises there will always be a role for skilled migration to meet national skill needs. However, skilled migration should always be a supplement to, not a substitute for, national skills development.

With the temporary 457 visa forming an increasingly larger part of the total skilled migration intake, further changes are required to improve the integrity of this visa program and build on the changes introduced in the first term following the Deegan Review. These further improvements include:

- A proper system of rigorous labour market testing to ensure that where employers are seeking to use temporary 457 migrant visas every effort has been made to fill the position locally
- Stronger training benchmarks to ensure that employers who wish to use 457 visas have measures in place to support the ongoing training and employment of Australians in those occupations and reduce the reliance on temporary migration in future
- A requirement for 457 migrant workers to be paid genuine market rates for that occupation or industry in line with wages and conditions paid to Australian workers
- DIAC and other relevant Government agencies to be appropriately resourced in order to monitor and enforce compliance with these requirements.

The ACTU is concerned to ensure that the announcement of a “fast-track” process for 457 visa applicants to work in flood recovery projects is implement consistent with these principles. A tripartite body of government, industry and unions is the appropriate mechanism to deal with the level of 457 visa applications during this period, and should be a matter of urgency.

INFRASTRUCTURE INVESTMENT

Increasing the quantity and quality of our economic, social and digital infrastructures is vital to securing our future prosperity. Without sustained and coherent investment in our roads, railways, public buildings and internet systems our economy will not be able to attract the investment and generate the jobs we need.

The record of the Coalition Government was one of neglect. Despite benefiting from over a decade of strong global growth the Coalition failed to invest. The deteriorating quality of our roads, railways, school buildings, ports and digital networks threatened our future prosperity.

Rather than grasp the opportunity to radically improve our infrastructures the Coalition clung dogmatically to the view that Government should play little or no role in planning our collective economic future.

Unions have always recognised that government must play a leading role in delivering coherent long-term infrastructure development. Government leadership is needed not only to systematically address the many gaps and capacity constraints that threaten future growth – it is needed to ensure those employed in building and maintaining our infrastructures are treated fairly by employers and have the skills they need to do the best possible job.

Unions have therefore welcomed the important initiatives announced by the Labor Government since 2008. These include:

- The National Broadband Network will deliver much needed improvements to our slow, expensive and ageing copper-based network. It will generate new jobs, support existing jobs and help many workers gain new and valuable skills.
- Building the Education Revolution will deliver 24,000 new projects that will benefit children, teachers and parents in every community. Many of the buildings that were left to rot by the Coalition will be rebuilt, refurbished or replaced.
- The Regional Infrastructure Fund, made possible by the Minerals Resource Rent Tax, will direct much needed investment into our roads, railway and ports in the resource-rich states that need it most.
- While important progress has been made in tackling the legacy of Coalition neglect there is more that can done on the 2011 Budget to ensure that government investment in infrastructure benefits our community.

For discussion about the role of the Government's overall economic footprint in promoting collective bargaining, fair wages and conditions, see the chapter on Job and Income Security.

FINANCIAL AND BANKING REGULATION

There are widespread concerns that the nature of the regulatory architecture for Australian banks does not adequately reflect their status as providers of essential services with a combination of implicit and explicit Government guarantees of their liabilities. As a result of this, the Finance Sector Union has called for a social and economic compact for the benefit of all Australians, a new regulatory approach that recognises the centrality of banking to Australians' lives. The ACTU supports this call.

The Federal Government has already implemented some measures to improve the operation of the financial sector, most notably through intervention via the Australian Office of Financial Management in the residential mortgage-backed securities market and through the package of reforms announced in December 2010. However, the Federal Government should continue to monitor competition in the financial sector and stand ready to initiate additional reforms.

The ACTU is concerned that Australian banks have indicated their intention to expand into riskier offshore jurisdictions in order to remain 'growth stocks'. The pursuit of ever-higher rates of return on equity is not appropriate for institutions that possess Government guarantees of their liabilities and that are too big to be allowed to fail. It may therefore be appropriate to ensure that Australian banks conform to a 'narrow banking' model. Under this model, guaranteed deposit-taking institutions would enjoy the benefits of Government support, yet be restrained from undertaking excessively risky activities, while other institutions are afforded no Government protection or guarantee.

The ACTU believes that:

- A regulatory regime should be considered in which Australian banks are regulated as public utilities and forbidden from expanding into risky asset classes and/or jurisdictions while they enjoy a Government guarantee (explicit or implicit) of their liabilities;
- The tax system should ensure that Australian banks bear the cost associated with their guarantees;
- The Australian Government should make it clear that it will not act to ensure the continued viability of non-deposit taking institutions that pursue excessively risky investments;
- All appropriate measures should be explored to increase competition in the financial system, particularly as regards to deposit-taking institutions and home mortgage lending;
- The portability of account numbers and other measures to improve consumers' effective choice should be implemented;
- Tax measures such as a financial transactions tax should be advocated by the Australian Government in international forums such as the G20;
- Domestic tax arrangements for the financial sector should be considered as part of a review of the overall financial regulatory architecture, including the taxes proposed by the IMF in its report to the G20; and
- Measures that would restrain the rate of growth in executive remuneration at Government-guaranteed institutions through the tax system should be explored.

FACING THE FUTURE

ACTU Submission to the 2011-12 Federal Budget

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