

## **A Fair Society**

### **Infrastructure, Industry, Transport and Trade Policy**

#### *A Strong & Fair Economy For All*

#### **Introduction**

1. Congress agrees that generating the jobs, growth and security working families need requires policies that seek to systematically strengthen key sectors of our national economy and their related economic and social infrastructures. These deficiencies have arisen partly because of historic underinvestment by business and government, and because recent governments have remained wedded to outmoded free market policy dogma. Among those parts of our economy that require urgent government policy focus are infrastructure, industry, transport and trade.
2. Congress therefore agrees to adopt the following policy and campaign priorities.

#### **Economic and Social Infrastructure**

3. Congress agrees government infrastructure policy should be based on the following core principles:
  - a) Decisions to invest in infrastructure should be determined primarily by an assessment of the economic, social and environmental needs of the community, not by the immediate availability of funds. Once an infrastructure project has been identified as necessary the task for government is to then establish an appropriate source of funding and method of delivery. Fiscal policy must be sufficiently flexible, innovative and orientated to our long-term future, to facilitate the necessary investment.
  - b) In general, accountability, transparency and the delivery of real long-term value to the community are best secured by the direct funding, ownership and management of infrastructure projects by government. While the Public Private Partnership model has been

increasingly utilised by government as an alternative to on-balance sheet funding, the experience in Australia and elsewhere has often been that PPPs are insufficiently transparent, flexible and cost-effective to justify their use.

- c) Government has responsibilities to the community that are broader than the narrow pursuit of 'economic efficiency'; it has an obligation to use its resources and relationships with non-government organisations to promote a range of social, industrial and environmental objectives. The design and allocation of infrastructure-related contracts constitutes a potentially highly effective means of promoting these broader objectives among private firms and employers.
- d) Investment in our social and economic infrastructures should have a key role to play in significantly increasing the availability of decent jobs for women.

### Infrastructure Priorities

- 4. Congress agrees that if Australia is to manage and meet future increases in demand for transport capacity, energy and water supplies, and digital communications in ways that are socially efficient, inclusive and environmentally sustainable all levels of government must co-operate in prioritising investment in the following areas:
  - a) Public transport: Expand, upgrade and better integrate our train, tram and bus networks. In particular, government should invest in tram and light rail services in our cities to help reduce carbon emissions and traffic congestion. This should be combined with measures, such as lower fares, to encourage public transport use and make it more affordable for people on low incomes.
  - b) Social infrastructure: Sustained investment in improved social housing, local health, education and childcare facilities. This would not only promote social inclusion, it would more than pay for itself by reducing the social costs generated by poor health, crime and limited access to employment opportunities. Such investment must be focused on those low income and regional communities who have suffered most from systematic underinvestment, deindustrialisation and the impact of the global recession.
  - c) Low carbon emission and efficient energy sources: Increased investment in solar power, geothermal and carbon-capture technologies. In addition government should make a long-term commitment to retrofitting homes, public buildings and commercial premises that do not meet national energy efficiency standards with appropriate insulation and solar water heating systems.

- d) Water infrastructure: Increased investment in water saving measures such as rainwater tanks, leakage reduction and local water efficiency projects. This should be combined with increased support for research into the development of low emission water capture, treatment and distribution technologies.
- e) Digital infrastructure: Investment to ensure the future National Broadband Network provides the basis for eliminating the 'digital divide' that means many of those in low income groups, Indigenous communities and remote locations have little or no access to the internet.
- f) Asbestos removal: A national strategy to safely manage and remove asbestos from our homes, public buildings and workplaces.

### Jobs and Fairness at Work

- 5. Congress agrees that public investment in infrastructure should be planned and implemented to maximise long-term and sustainable employment in Australia, and to promote progressive practices at work. Congress notes that Australia's present trade agreements either do not contain procurement chapters or, where they do, provide for multiple exemptions. In this context Congress agrees to pursue the following policy priorities:
  - a) The application of Congress 'Government Procurement Policy' to all contracts between government and private firms for the purposes of building economic and social infrastructures.
  - b) The adoption of a flexible and long-term fiscal policy stance that enables government to raise the funds needed for infrastructure investment from a mix of tax revenues, borrowing and bond issues.
  - c) Establish a National Infrastructure Financing Corporation that would finance infrastructure contracts utilising funds drawn jointly from the Future Fund and an investment vehicle comprising pooled superannuation funds.
  - d) The appointment of a union representative to the Advisory Council of Infrastructure Australia.
- 6. The ACTU and unions will campaign for our infrastructure priorities and policies by:
  - a) Organising union members to undertake audits of infrastructure deficits in their workplaces, industries and localities.
  - b) Using the results of these audits to lobby elected representatives to commit to tackling the deficits in line with the principles and objectives of Congress policy.

- c) Continuing to advocate for the identified priorities in meetings between ACTU Executive members and Infrastructure Australia and government ministers.

## Planning Our Industrial Future

- 7. Congress reaffirms its existing industry and manufacturing policies, and calls on government to adopt a strategic approach to domestic economic development based on an increased role for planning and collaboration to secure the industrial base Australia needs. Government should therefore adopt the following initiatives:
  - a) Reform, or if necessary abolish, the Productivity Commission with the aim of establishing a tripartite national economic agency to develop a comprehensive strategy for industrial development. The agency should conduct a comprehensive audit of the long-term strengths and weaknesses of Australia's industrial base. The agency should use the results of this audit to:
    - i. provide detailed recommendations on how government, unions and business can work together to secure sustained and balanced economic growth;
    - ii. develop and implement sectoral plans that will secure the long-term future of mature industries (such as steel, textile, pharmaceutical and automotive production), as well as fostering the growth and further development of emerging industries (such as renewable energy, biotechnologies and telecommunications);
    - iii. develop and implement a plan for the financial services sector that will ensure responsible lending practices and protect and increase employment levels;
    - iv. develop and implement plans that will enhance the capacity of our industries to generate more renewable energy consistent with our Mandatory Renewable Energy Target;
    - v. develop strategic relationships with Austrade and AusIndustry that are consistent with the agency's agreed objectives.
  - b) Because collaboration and planning, rather than wasteful competition, is often better at securing innovation and long-term skill formation Congress calls on the government to:
    - i. abolish or amend those government regulations that impede productive collaboration between firms and the long-term development of a highly-skilled workforce;
    - ii. help to initiate and support collaborative initiatives between firms that will promote the growth of high value-added and skill-intensive production;

- iii. encourage industry associations and organisations to coordinate access to beneficial arrangements for their members such as bank finance, product liability and insurance; and
- iv. support unions in linking workers in different workplaces to demonstrate and share best practices for training and changes in work organisation.

## Safe, Accessible and Integrated Transport

8. Australia is a heavily transport dependent economy due to our geographical size and location. The Australian freight and passenger transport industry employs over 490,000 workers and contributes 5 per cent to GDP with freight expected to double from 2005 levels by 2020.
9. Congress recognises that Australia's long-term economic prosperity and commitment to delivering improved environmental, security and social justice outcomes is dependent on the development of efficient freight and passenger movement throughout Australia, and in meeting Australia's export and import requirements. These principles are reflected in the Federal Government's new National Transport Policy and the ACTU and unions will support their continued development.
10. Across all sectors of the transport industry the Congress recognises:
  - a) Transportation decision-making processes must support, encourage and provide resources for union participation;
  - b) Employers must recognise the right all workers involved in the transport industry to be represented by unions, to be covered by a collective agreement negotiated by their union, and the right to fully participate in union activities;
  - c) Transport employees must be provided with safe rates of pay and conditions that removes the pressure to work unsafely in order to receive proper remuneration;
  - d) Increasingly carriers and individuals are using a number of modes to move goods or to travel. Unions with members employed in those modes will act co-operatively to ensure the best outcome for members;
  - e) Transport systems must be planned, operated and maintained so that they are safe, efficient, equitable, accessible and contribute to sustainability through reduced levels of greenhouse gases and other negative effects on the environment;
  - f) A well planned and resourced passenger transport system promotes greater social and economic mobility. Policies in this area must promote greater access to public transport, particularly for disadvantaged groups;

- g) The Federal Government's significant commitment to invest in transport infrastructure, and calls for the government to link infrastructure funding assistance, in regional and rural areas, to the provision of apprenticeships and traineeships.

## Rail Transport

- 11. Congress supports the further development of an integrated national rail network, including:
  - a) extensions to the interstate mainline and efficient intermodal connections;
  - b) infrastructure that permits faster, longer, heavier and more efficient freight trains;
  - c) re-invigorate long-haul passenger railways by high speed trains and connections to airports.
- 12. Congress supports the Federal Government's plans to invest significantly in rail infrastructure. To secure the desired outcomes consultation and targeted funding will be needed. Congress makes the following proposals:
  - a) That Australian Rail Track Corporation remains in full public ownership and that its Board comprise of representatives of government/s, business, unions and the community;
  - b) The creation of a representative forum where governments, business and unions can address rail transport issues and policies;
  - c) Federal government financial assistance for major privately funded rail network extensions be considered only when it can be demonstrated to be of public benefit;
  - d) The restructure of the Roads to Recovery Program to include regional and rural rail lines;
  - e) That Federal Government assistance for large rail projects takes account of the funding difficulties faced by the different States and Territories.
- 13. The ACTU and unions believe for the safety of the public, and occupational health and safety of employees, the rail system must meet the highest standards of safety. To achieve this Congress supports a consultative approach to rail safety, involving Federal and State governments, operators, unions, and users, to:
  - a) Identify and upgrade rail safety to meet the growing number of rail operators and contemporary safety demands;

- b) Determine and ensure funding to enhance the protection and security of persons and property in and around facilities; and
- c) Ensure that rail safety and investigation procedures and administration are conducted to maximise safety in the railway industry.

## Road Freight

14. Congress calls for improved safety standards in road freight and supports:
  - a) The setting of safe rates in recognition that driver remuneration is determinative of safe systems of work. Congress calls upon the Federal Government to adopt a system of safe rates for the trucking industry in line with recommendations from the recent Quinlan/Wright Inquiry;
  - b) The accelerated development and implementation of uniform national road transport regulations that include supply chains, focusing on driver fatigue, driving hours, and loads;
  - c) The continued introduction of strong chain of responsibility principles through occupational health and safety instruments, and road safety laws of comparable standards, in all jurisdictions;
  - d) The establishment of a national heavy vehicle regulator, with the capacity and powers to enforce chain of responsibility regulations along the supply chain;
  - e) The greater use of Australian Design Rules to improve safety standards in new vehicles;
  - f) Improvements to the collection of data on road fatalities and injuries to ensure a more strategic approach to road safety initiatives;
  - g) The introduction of a Federal Government requirement for manufacturers to release crash test data;
  - h) The provision of incentives to reward road transport operators who fully comply with regulatory and health and safety requirements, and penalise operators for regulatory and health and safety breaches;
  - i) The provision of rest areas across the Australian highway system.
15. The ACTU and unions support making our transport systems more sustainable and user friendly, by the development of e-transport strategies and actions to improve road safety, reduce emissions and traffic delays.

16. Congress supports improving the attractiveness of the industry to new entrants and school leavers by removing barriers to entry.
17. To improve skills in the industry, Congress calls for the Federal Government to introduce an industry-wide training and recruitment scheme, which may include a skills-based heavy vehicle license without age restrictions. It should also address the disconnect between the current driver licensing and driver training in vocational education sectors.

## Maritime Transport

18. Congress recognises and calls for the following:
  - a) The maintenance of a robust regime of maritime cabotage that creates employment with decent wages and conditions for Australian workers:
    - i) Building the Australian shipping flag in both domestic and international shipping;
    - ii) Establishing global best practice mechanisms to encourage long-term investment to rebuild the Australian shipping industry
    - iii) That all domestic laws apply to all aspects of shipping operating in the Australian Exclusive Economic Zone [EEZ];
    - iv) Ensure that maritime security laws fairly balance national and domestic security requirements with the civil and industrial rights of workers;
    - v) Ensure a high degree of cooperation between the Australian Defence Forces and the Australian merchant fleet; and
    - vi) Ratify and implement appropriate International Labour Organisation (ILO) and International Maritime Organisation (IMO) conventions, codes and recommendations, in particular the ILO Consolidated Maritime Labour Convention, and ensure that national bodies charged with implementing ILO and IMO Conventions, such as the Australian Maritime Safety Authority, are properly resourced to undertake their compliance functions
  - b) The growth of a modern, safe, productive Australian shipping industry which is supported by a nationally consistent regulatory and fiscal framework;
  - c) An industry that encourages investment and innovation, and enables shipping to be fully capable of total integration into the national Australian and international freight logistics supply chains;

- d) A productive network of publicly-owned Australian ports that is fully integrated into national and international intermodal supply chains and which support the ongoing development of Australian shipping;
  - e) The important role of a strong domestic shipping industry to Australia's national security and defence, and to the protection of the Australian coastline;
  - f) A safe maritime tourism sector that provides for stable employment and fair working conditions.
19. Congress recognises that shipping is a key sector in the transport industry and the national economy, and in manufacturing and resource supply chains, with strategic, security, defence, economic and environmental benefit. Congress remains committed to supporting its potential to grow and generate new jobs and economic activity.
20. Congress recognises the special competitive challenges facing the shipping industry where investment has been low for many years. A strong national shipping industry is an essential feature of an island economy in a globalised world. Congress recognises the important role of Government in moving towards greater investment support in the domestic freight transport industry to support shipping competitiveness and also supporting the competitiveness of Australia's international shipping opportunity, so Australian shipping can grow market share, gain access to finance, increase employment, innovate and diversify.

## Aviation

21. Congress believes the safety of the travelling public and airline industry workers is paramount and must come before economic considerations. To ensure safety standards are maintained Congress calls for:
- a) The retention of the Federal Government's world-class aviation regulators and service providers, the Australian Transport Safety Bureau (ATSB), Civil Aviation Safety Authority (CASA) and Air Services Australia (ASA) and provision of adequate resources to enable them to continue their efficient, effective and independent roles;
  - b) Close scrutiny of new low-cost entrants to ensure that they meet the highest safety standards to prevent other carriers from being pressured to reduce costs by cutting safety standards;
  - c) Review access to airside secure areas by employees, contractors and labour hire, to remove the exemptions that allow temporary staff easy access;
  - d) Mandatory security training for all aviation workers;

- e) Implementing the Wheeler Report recommendation that all air cargo travelling on passenger aircraft is security screened;
  - f) Returning any contracted out air traffic services - including fire services, national airways systems maintenance - to the public sector to ensure that the vital safety services are delivered without the pressure to make a profit.
22. Congress believes the aviation industry's use of temporary workers, labour hire and contracting out of services - within Australia as well as internationally - undermines the safety and security of aviation in Australia.
23. Congress supports the further development of a permanent, highly-skilled and well paid workforce with a safety focus. In particular, Congress calls for:
- a) An end to overseas outsourcing of maintenance, which unions believe has eroded Australia's traditionally high maintenance standards.
  - b) The elimination of overseas-based labour on inferior contracts being used by Australian carriers to undermine the employment conditions of Australian workers.
24. Congress supports the development of the aviation sector and in particular further developing industry as an important export industry, by:
- a) Retaining current provisions that prevent foreign ownership of Australian airlines and keep the governance of these airlines in Australia. This includes, the maintenance of Qantas as Australia's international carrier;
  - b) The growth of air freight through upgraded airport facilities, introduction of chain of responsibility principles in cargo freight terminal operations, and improvements in the logistics chain; and
  - c) Direct investment in local infrastructure to increase volume of flights and traffic carried by international airlines to create jobs.
25. The creation by the Federal Government of an explicit regulatory regime and plan for the sustainability of the aviation sector is supported by the ACTU and unions as an appropriate response to the recent Aviation White Paper and the current economic crisis.

### **Urban Public Transport and Passenger Transport**

26. Public transport and passenger services need to be accessible and meet the community's expectation of a high standard of reliability, timeliness and quality.

27. The ACTU and unions believe a framework for transport services must ensure the equitable distribution of transport resources. Services should enhance quality of life, reduce traffic congestion, and allow for individuals to minimise the use of natural resources, and reduce carbon emissions that threaten public health and the environment.
28. Congress supports achieving greater use of public transport and calls for:
  - a) The provision of appropriate financial assistance by the Federal Government to State/Territory governments to improve and extend public transport systems in urban and regional Australia for employment, education and training, health, social justice and economic reasons;
  - b) Support for proposals to reduce dependency on cars, including reform of the inequitable tax treatment of public transport as against employer provided car transport;
  - c) The introduction of regulations that allow workers to use salary sacrifice programs to purchase public transport tickets;
  - d) A collaborative approach with state governments, unions, employers and user groups, to ensure urban public transport facilities are safe for both employees and the public;
  - e) Measures to assist state and local governments to develop urban planning strategies that integrate land use and transport planning;
  - f) Proper and efficient integration of the various public transport modes through intermodal exchanges and complementary travel arrangements; and
  - g) The establishment of a national transport planning strategy by the Federal Government, which recognises that urban and passenger transport are critical to the national transport system, and to ensure the demands of both passenger and freight transport do not clash.

### **Sustainability in Transport**

29. Congress recognises that transport is the third largest contributor to greenhouse gases after electricity generation and agriculture. Therefore transport has a significant responsibility and contribution to make towards the reduction of those gases.
30. This policy outlines many measures to create an effective and efficient transport system that meets the needs of Australians. These measures would make a positive contribution to reducing traffic congestion,

reducing our reliance on fossil fuels and improving the general amenity of Australia's towns and cities. In particular:

- a) Congress supports increasing the use of public transport as a means to remove reliance on private vehicles and non-renewable fossil fuels; and
- b) Congress notes that transport of freight by rail produces significantly lower levels of greenhouse gas emissions than road freight, and supports the call for national integration and extension of rail transport systems.

### **International Solidarity**

31. The ACTU and transport unions will work with local and international transport industry unions and the International Transport Workers Federation to build international links and solidarity.

### **Women in Transport**

32. The ACTU is committed to working with affiliates to removing barriers to the employment of women in the transport industry partly by promoting it as one that offers a range of career paths. This will also help to retain existing women workers. In addition, the ACTU and affiliates will continue to actively support women's networks and representation across the industry.

### **Growth and Social Justice through Fair Trade**

33. Congress agrees that sustained and balanced economic development requires that governments retain the capacity to regulate labour, product and capital markets in ways most appropriate to their particular economic and political circumstances. There is no one-size-fits-all model of trade. Public ownership, import regulation and substitution, state subsidies and price regulation all have a potentially valuable role to play.
34. Congress also notes that trade is not simply an economic issue: it has important social and political dimensions and implications. In particular, trade policy constitutes a potentially powerful means for enhancing the rights and welfare of workers in other countries.
35. Congress condemns trade agreements that directly or indirectly encourage the accumulation of wealth from international trade on the basis of poverty wages, dangerous working conditions, the repression of collective organisation and labour rights, and environmental destruction.
36. Congress calls for trade agreements that provide for the improved conditions of workers by requiring signatories to adopt appropriate core labour, human rights and environmental standards.

37. In particular, Congress agrees that trade in people is not acceptable. Congress therefore opposes any trade agreement which seeks to regulate the number of migrants to Australia. Migration must remain entirely a matter for immigration policy.
38. Congress supports the following initiatives:
- a) Government should not enter into further bilateral or regional trade agreements until the present recession has passed and the shape of the post-crisis world economy becomes clear.
  - b) All future proposed trade agreements must be open to full parliamentary oversight and democratic approval prior to being signed. This should involve:
    - i. The independent modelling and evaluation of trade agreements before they are signed;
    - ii. An assessment of the gender dimensions to projected changes to levels of investment, employment and wages;
    - iii. Explaining to the wider community, in the most accessible form possible, the assumptions that have been used to model the impacts of proposed trade agreements - particularly where they relate to topics such as wages, employment and investment.
  - c) Trade agreements should be explicitly designed to reinforce and build upon domestic industrial policy priorities, the pursuit of a full-employment economy and a fairer Australia. To this end trade agreements should:
    - i. Retain or enhance the autonomy of government in Australia to design and implement policies in the following areas: the regulation of financial institutions and international financial transactions; climate change; government procurement; import regulation; media content and the cultural industries; public ownership; public services; foreign ownership; research and development; transportation services; indigenous affairs; organisations and enterprises; the provision and regulation of essential services such as health, education, water, electricity, telecoms and postal services; the movement and employment of temporary migrant workers.
    - ii. Preserve Australia's Pharmaceutical Benefits Scheme.