

Industry Development Strategy

ACTU Congress September 1991

1. The ACTU Congress recognises that Australia must continue to apply a high priority to expanding opportunities for the development of higher value added manufacturing and service industries to reduce our reliance on the exports of primary products and to expand the export base of the Australian economy.

2. Congress expresses its strong concern over the current levels of unemployment and the low levels of new job creation. This contrasts sharply with the earlier achievements of the Federal and State Governments and requires a strong commitment from all parties to reverse the downturn.

3. Congress notes and reaffirms the need for an effective industry policy to counter the currently high levels of unemployment as was stated in the first Accord between the ACTU and the Federal Labor Government:

"At a time of high and growing unemployment, an industry development policy is absolutely essential if the basic problems confronting Australian industry are to be faced."

4. The Congress endorses the overall policy position adopted. It specifically rejects the notion that export-oriented industries can be established in Australia without a consistent, supportive and, where necessary, interventionist role being taken by Governments.

5. Congress calls on Government at the Federal and State level to increase the level of commitment to ensuring the development of a long term environment which is conducive to an expansion of activity in our manufacturing and service industries.

6. The ACTU and affiliated unions will apply particular attention to achieving :

i). The establishment of adequate and competitive sources of investment funds. The establishment of a national development fund is a major initiative which offers the prospect of giving particular support to the development requirements of medium sized companies with good expansion prospects. The ACTU will oppose the behaviour of financial institutions that ignore the investment needs of the productive tradeable goods sector of the economy and that are sending viable manufacturing businesses into liquidation;

ii) A review of taxation and other government policies in order to encourage the financial institutions to allocate resources for capital development. Such measures may include incentives for superannuation funds, consistent with trustee obligations, investing 1%, 2% or 3% of funds in direct equity and/or capital development funds aimed at import replacement or exports in the tradeable goods and services sectors;

iii). Encourage Government to strengthen the national network of Industrial Supply Offices and the establishment of a National ISO. Since 1984 the State ISOs have directly achieved \$540 million in import replacement.

iv). Pursue sectoral industry development strategies to enhance Australia's export performance. As was shown with the steel and heavy engineering sectoral strategies, such initiatives can provide a

major boost to import replacement and export expansion;

v). Promote the development of an international trade strategy with particular emphasis on the Asia-Pacific region

vi). Encourage Government to provide adequately funded programs to accelerate the take up and effective utilisation of advanced manufacturing technology;

vii). An inquiry into the extent of the barriers currently in place against Australian exports by way of tariff and non-tariff measures in overseas countries;

viii). Ensure the highest possible level of competitive Australian goods and services in projects of national significance consistent with the Congress policy related to the guidelines for Australian Involvement in Major Projects;

ix). Assist in resolving the apparent conflict between our industry development and environment protection objectives so we can add more value to Australia's resources;

x.). Ensure that dumping of goods in Australia is vigorously resisted with effective Anti Dumping legislation;

xi) . Seek support for investment in infrastructure projects which will assist export development and import replacement;

xii). To ensure that export enhancement arrangements available to Australian exporters are the equivalent of those provided by other competing countries.

7. Congress endorses the guidelines for Australian Industry Involvement in Major Projects as developed by the Marine and Heavy Engineering Group (MAHEG). These guidelines clearly outline the basis of a consistent nationwide policy framework which would enable Australian industry full and fair opportunity to participate in projects of national significance.

8. Under the guidelines, developers of major projects are required :

i) . to give Australian industry adequate lead times to tender in competition with overseas suppliers;

ii) . to ensure that specifications and standards meet Australian standards and specifications except where international standards are universally recognised;

iii). to select Australian suppliers of goods and services where price, quality, delivery and service are equal between Australian and overseas offers - especially taking into account the projected long term costs and benefits during the life time support phase of the project

iv). to utilise the services of the Industrial Supplies Office as an integral part of the procurement process.

9. Further, Congress calls on all Federal, State and Territory Governments to require developers seeking to operate within their respective jurisdictions to endorse the guidelines as a pre-condition for the granting of Government licences, concessions or other forms of approval.