

## Services, Industry and Resources

### Developments since Congress 2009

Since Congress 2009, a number of key legislative developments have occurred. These include the *Nation Building – Economic Stimulus Plan*, which was part of the Australian Government's \$42 billion response to the Global Financial Crisis (GFC). The package included funding for community infrastructure, buildings and infrastructure for schools, social housing, and road and rail projects. By 30 June 2011, almost 50,000 building and construction projects were undertaken to stimulate the economy, support jobs and invest in infrastructure.

The Australian Government's Bank Deposit Guarantee scheme, established in 2008, was another response to the GFC, designed to promote confidence in Australia's financial services sector. The scheme insured deposits of up to \$1 million held at any Australian-based bank, credit union or lending institution (since reduced to \$250,000 as of 1 February 2012).

Another major development was the introduction of the Minerals Resources Rent Tax (MRRT) from 1 July 2012. The MRRT will place a levy of 30% of annual profits over \$75 million on around 320 of Australia's most profitable mining companies.

Since Congress 2009, the Commonwealth Government has also recognised the importance of providing a consistent national approach to long-term planning of our road, rail and sea infrastructure. To that end, the government has developed a National Freight Strategy a National Transport Strategy and a National Ports Strategy. In addition, the introduction of the *Stronger Shipping for a Stronger Economy* package will reform the Australian shipping industry to provide incentives for the development of a strong export market and create jobs through tax exemptions and concessions to shipping vessels.

### Key issues

The impacts of the GFC have continued to reverberate on the Australian economy, with low-paid workers disproportionately affected by the economic downturn.

Employment in the services and resources industries continues to grow. Over the next four years, the strongest employment growth areas are expected to be mining (6.1 per cent per annum), health care and social assistance (4.5 per cent per annum) and electricity, gas, water and waste services (3.9 per cent per annum). The financial services industry now employs over 700,000 workers in insurance, banking, superannuation and finance, with an additional million employees employed in associated roles. Although the manufacturing industry is expected to decline by 0.6%

until 2015-2016, it remains a major employer of nearly one million Australians. The public sector employs almost two million workers across Australia. The retail sector is a major part of the services industry, with employment of around 1.2 million workers. Although growth in the retail sector has been sluggish over the last several years, retail growth is expected to increase by 1.2% per year until 2015-2016. The construction industry is also expected to see strong growth in employment at a rate of 3.6% per annum in this period.

The trend towards offshoring of jobs continues to be a major concern for unions, particularly since the GFC. In 2011, unions condemned moves by QANTAS to lock out their workers following industrial disputes that centered primarily on a dispute over offshoring the jobs of pilots and baggage handlers to avoid paying wages and entitlements under Australia's workplace relations system. The fight against offshoring is expected to be a major focus of union campaigns going forward.

## Agenda 2012-2015

Over the next three years, unions are committed to ensuring that Australian jobs don't go offshore in a misguided race to the bottom. In particular this policy provides that unions will campaign for a strong and sustainable resources industry, by ensuring that the benefits of the mining boom are distributed equally so that all Australians can profit in our natural resources.

The policy calls for improvements in workforce participation of different groups, including Indigenous Australians, rural Australians and young workers. Workforce participation would be strongly improved by the development of quality infrastructure, particularly in remote and regional communities, and by strengthening the transport industries through improvements to public transport systems and other transport infrastructure.

In this policy unions recognise the continuing importance of manufacturing industry, and commit to finding ways to maintain and grow manufacturing as a key part in the Australian economy.

The policy notes that the public sector remains a major employer, and requires consistent funding to ensure it remains that way. As such, the policy calls for the trend towards the privatisation of public goods and services to be stopped.