

Australian Council of Trade Unions SUMMARY OF FEDERAL BUDGET PRIORITIES May 2008

Working Australians are looking to next week's Federal Budget to undo the damage caused by the former Coalition Government's Work Choices laws, to ease the financial pressure on Australian households and to address the social, economic and environmental challenges facing the nation.

Unions acknowledge that it is also important that this Budget provide the first instalment towards fulfilling the Rudd Labor Government's election promises.

Restoring rights at work

Since the election the Rudd Labor Government has moved to ban new AWAs, begin work on modernizing the award safety net and has begun consultations over a suite of new laws to replace Work Choices. It is essential that there are adequate resources for undoing all of the damage of Work Choices and restoring rights at work for all as quickly as possible.

This Budget should provide:

- Sufficient funds for the replacement of Work Choices with fair and balanced new IR laws, including for adequate consultation with workers and unions.
- One-off additional resources for the Workplace Authority to undo the damage of Work Choices and ensure workers are receiving their proper pay and conditions — in particular, to deal with the backlog of more than 150,000 AWAs and workplace agreements waiting examination and processing.
- For the earlier abolition of the ABCC and fast-tracking of a fairer and more balanced approach to the construction industry, with savings from this measure used to fund a new national health and safety program to reduce workplace deaths and injuries in the construction industry.
- Assistance for unions, employers and other parties to participate in award modernization and for education programs to ensure employees and employers understand and are aware of their rights and obligations under the new IR system.
- Increased funding for the management, monitoring and policing of the temporary migrant workers on 457 and other visas to eliminate exploitation and abuse of the program.
- Adequate resources for the review and implementation of harmonisation of health and safety laws to provide the best possible standards for Australian workplaces.

Ease the pressure on working Australians and families

Many Australian working families are under tremendous financial pressure as a result of successive interest rate increases, rising personal debt, and spiralling costs of petrol, childcare, health care, education and food. A recent survey conducted for the ACTU found 75 per cent of working families say they are struggling to keep their heads above water.

This Budget should provide the start of a long and sustained program to ease the pressure on working Australians and their families through:

- Tax relief directed towards low and middle income earners that were promised in the election and that redress the bias of the former Howard Government's towards tax cuts for high income earners.
- Substantial new measures to improve the affordability, accessibility and quality of childcare, including the implementation of the election commitment to increase the childcare tax rebate from 30% to 50%.
- Investment in a broad range of measures including improvements to education, health care, aged care, housing affordability and other commitments that were endorsed by the Australian people at the last election.
- An adequately resourced and staffed government sector that is able to efficiently and fairly administer and deliver services and programs to all Australians.
- Funding to implement election commitments designed to bridge the gap between Indigenous and Non-Indigenous Australians and to improve fairness and social equity in Australian society more broadly.

Address social, economic and environmental challenges

Twelve Budgets by the Howard and Costello Liberal Government has left a devastating legacy of underinvestment in Australia's economic, social and environmental infrastructure. The nation is without a world class broadband network, we have failed to deal with climate change, local jobs and industry are under threat, and our research and development capacity lags OECD standards.

This first Budget by the Rudd Labor Government can only begin to address some of the backlog of investments the nation requires.

However the ACTU is particularly looking to this Budget to address the skills crisis that developed under the former Howard Government and to provide substantial new investment in education and training.

Unions urgently want to work together with business and government to remove the barriers to participation in paid employment and to unlock the productive capacity of the workforce. In the short to medium term we must create more high-skilled, high-productivity jobs and workplaces. This will not only require extending collective bargaining and democratising our workplaces to allow workers to have a say in improving productivity at an enterprise and industry level, but substantial new assistance from government.

In this Budget unions are looking for an initial phase of strategic investment in vocational education and training (VET), that includes:

- The first stage of delivering Labor's election commitment to establish a network of Trades Training Centres in secondary schools that will over time cater to one million students in Years 9 -12.
- Funding for the first tranche of the additional 450,000 TAFE training places that are to be delivered over the next four years.
- A reinvestment in higher education to bring the proportion of adults between 18-20 years old not engaged in education or training at school, TAFE, university or any other post-school training institution to above the current appallingly low level of 50%.
- The promotion of research, development and innovation across industries with specific investment in regional Australia to provide a boost to local economies especially in areas affected by structural readjustment.
- The engagement of all of the industry parties – employers, employees and their representatives – in the development and implementation of the Skilling Australia initiative.
- A program to enable recognition of prior learning and to improve the skills of existing workers to ensure they have the capacity to meet the workforce needs of a dynamic economy and innovative industries.

Additional support and access to training for mothers and older workers seeking to re-enter the workforce, encouragement for employer investment in skills development and the promotion of better completion rates among apprentices including through improvements to their wages.