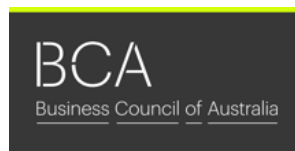


Agreement between the Australian Council of Trade Unions and the Business Council of Australia



Australian Council of Trade Unions



Business Council of Australia

Aims and purpose

The Australian Jobs Summit provides a unique opportunity for the representatives of employers and employees to come together and collaborate for the betterment of industry and the workforce and to raise the living standards of all Australians.

In this agreement, the Australian Council of Trade Unions and the Business Council of Australia outline our shared principles and policy suggestions to help reach this shared vision.

They represent common ground between the parties, and do not represent the complete policy positions of either party.

The Australian Council of Trade Unions (ACTU)

The ACTU is the peak national representative body of the union movement in Australia. The ACTU provides a singular voice for our 43 affiliated unions and state-based trades and labour councils, which represent more than 1.7 million union members in industries and regions across the country.

We believe in cooperation and collaboration to build a strong, growing, productive economy for the twenty-first century which helps all Australians achieve their aspirations. This economy can only be built if working people have a strong representative voice in the debates that will shape Australia's future.

The Business Council of Australia (BCA)

The BCA represents Australia's largest employers, advocating for good policy on behalf of the business community and the Australians they employ.

BCA members operate across all sectors of the economy, including health, manufacturing, infrastructure, IT, mining, retail, finance, energy and transport.

1. Improving women's workforce participation

Considerable barriers still stand in the way of women reaching their full potential. To assist with lifting those barriers, and improving women's workforce participation and advancement we call for:

- Women's participation to be treated as a core economic policy because it is fundamental to our economic prosperity and should not be treated as a side issue.
- Increasing women's participation and ensuring this must also be about advancement and progression, addressing inequalities on pay, career development, leadership and superannuation.
- Support for the implementation of all recommendations of the Respect@Work Report and measures announced by the Government to close the gender pay gap.
- Long term change in the caring of children which embeds a culture of sharing care responsibilities, including by:
 - Strengthening Commonwealth Paid Parental Leave (PPL) by:
 - Expanding it to 26 weeks,
 - Ensure that the entitlement can be fully shared between both parents, including incentives to do so; and
 - Paying superannuation on it.
 - Ensuring the Government's new childcare reforms are improving the quality and accessibility of services, reducing out of pocket costs for parents and guardians, and addressing urgent workforce needs.

2. Future Industries

Australia has the natural and human resources to ensure future growth, the creation of secure and well-paid jobs, increased living standards and a resilient and diversified economy. To achieve this we require an industry policy that drives investment and innovation and ensures Australia remains internationally competitive.

Climate and Energy Transition

The transition to a net zero emissions economy can provide significant growth in new renewable energy industries and can be done in a way that supports those workers and communities undergoing transition.

To ensure such a transition we call for:

- A reset of industry policy to drive the creation of high wage, high productivity jobs in a future-focused and innovative economy, where government has a co-investment mindset rather than relying excessively on grants to spur industry.

- Establishing an independent and properly resourced National Energy Transition Authority to manage an orderly and fair transition process for workers in emissions intensive industries and their communities, particularly in regional areas, that has governance of governments, industry, community and unions.
- Ensure that renewable energy and low carbon industries are built on stable foundations with secure, quality jobs with fair wages and conditions.
- Support developing export opportunities in key industries and build on Australia's strengths in critical resources, renewable energy and advanced manufacturing.
- Support the strengthening and development of local jobs and industry to become globally competitive, including in renewable manufacturing, by improving procurement policy and strengthening local content requirements for government-funded projects.
- Ensure nascent renewable manufacturing industries are given the opportunity to develop and become globally competitive through appropriate anti-dumping laws

Care Economy

The care economy employs about two million workers and will be the largest creator of new jobs in the future, yet it faces tremendous challenges in recruiting and retaining staff.

To address these significant challenges, the workforce must have secure work, including enough hours and pay levels that recognise the value of their work. There should be increased investment in training to develop rewarding careers and appropriate staffing levels to deliver high quality care. Operators must meet better standards for staff and care, and be accountable through greater transparency, reporting and better-resourced regulators.

The industry also needs appropriate incentives to encourage the adoption and use of new technologies and systems. These will be critical to ensuring care workers are able to lift productivity and improve care outcomes.

3. Employment participation

Barriers to employment remain for many Australians. This is despite more people being employed than ever and unemployment at its lowest rate in almost 50 years. Achieving and sustaining full employment should be a guiding framework of the Summit and Employment White Paper.

We agree the following:

- A shared commitment to reduce long term unemployment through investment in programs that make a difference, including demand led approaches in which people are trained for positions employers need to fill
- Support for First Nations businesses and community-controlled services to, provide job opportunities on country, economically develop remote and regional communities and assist with closing the gap with health, education and living standards.
- Reform workforce activation programs for workers with a disability to ensure they provide specialised services, are sustainable and consistent so they can become part of a businesses employment program and are demand led.
- Reform Workforce Australia and job-provider's incentives to better meet the needs of those who are disadvantaged in seeking work and require longer term, wrap around services.
- Foundational Skills Guarantee so people have access to language, literacy, numeracy and digital capability training, including for people who missed out at school or need to catch-up later in life.

4. Skills and Training

Skills and training are essential for people to participate and advance in the workforce.

The ACTU and BCA are also parties to the Statement of Common Interests on Skills and Training that also includes the Ai Group and ACCI.

To deliver a high-quality labour force through skills and training that meets our immediate and future needs, those four parties called for, in summary, the following practical reform suggestions:

1. Urgently establishing Jobs & Skills Australia
2. Reinvigorating and adapting our apprenticeship system
3. Investing in vocational education and training
4. Guaranteeing foundational skills
5. Supporting lifelong learning.

The full statement which includes more detail on these suggestions is available online at: <https://www.actu.org.au/media/1450114/statement-of-common-interests-between-the-actu-ai-group-acci-and-bca-on-skills-and-training.pdf>

5. Migration

We agree that it is in the best interests of workers and business that Australia is a high-wage, high-skill, and high-productivity economy.

We have a shared ambition to restore Australia as a welcoming multicultural country. Permanent migration has made a tremendous contribution to Australia's society and economy.

We should rebalance our migration system towards more permanent migration with improved pathways for permanent residency.

Australia's migration program needs to be well managed, with planning by state and federal governments that ensures all regions benefit, and that infrastructure, housing and services are developed.

Migration needs to complement domestic skills and training – not act as a substitute for it – and workers in Australia should have a first opportunity for jobs on offer.

We should reduce the backlog of temporary migrants waiting for permanent residency, including through expedited visa processing and an increase in the permanent migration program.

We need to prevent the exploitation of workers in the migration system, ensuring visa holders have adequate safeguards to protect them from workplace exploitation, including:

- enhanced whistle-blower protections for visa holders,
- increased penalties for employers who deliberately underpay migrant workers, and
- Improved information, induction and settlement services for new working migrants, including options for professional affiliation and union membership.

There should be an immediate review of the skills list and the future workforce needs

Restoring Australia's reputation as a positive destination is important and visa settings should also ensure we can attract the world's best and brightest talent, who can pass on skills and knowledge and drive innovation and new industries.

The Temporary Skilled Migration Income Threshold (TSMIT) should be increased, noting it has been frozen since 2013.

Permanent migration should support family reunions and an expanded humanitarian program. We should better recognise the contribution of migrants and the skills they bring and provide enhanced settlement services (including training) to support them.

6. Workplace Relations

The ACTU and BCA are united in their desire to see the living standards of Australians grow. For this to be achieved businesses need to succeed, productivity needs to grow, and the benefits of that growth need to be shared with workers.

Bargaining is an essential mechanism for fair and sustainable wages growth. Both the BCA and the ACTU believe the bargaining system under the Fair Work Act needs to be reformed so it is simpler, fairer, and more accessible.

The current system is resource intensive, is difficult for people to use and too often fails to incentivise innovation to deliver win-win outcomes for employers and employees.

The ACTU and BCA agree that the following principles should underpin bargaining reform and amendments to the Fair Work Act should:

1. Promote and encourage bargaining
2. Provide a framework for good faith bargaining between equal parties
3. Ensures bargaining is simple and fair
4. Ensures the bargaining process is straightforward; not litigious or dominated by technicalities
5. Maintain but simplify the BOOT
6. Allow agreements to replace Awards (but not the NES) so long as they continue to leave workers better off overall.
7. Ensures Awards remain relevant to their respective industries and do not create unfair competition or disincentives to bargain

Whilst the BCA acknowledges that the ACTU believes there is the need for new multi-employer bargaining options, the BCA is not convinced this solution is the answer to the current problems. However, both the ACTU and the BCA support the maintenance of enterprise bargaining and the ability of market leaders to continue to bargain on an enterprise basis.

The ACTU and the BCA support reform to enforcement mechanisms so that the Act facilitates and supports the identification of non-compliance, and where it is not deliberate and dishonest, facilitates fair and just rectification.

The ACTU and the BCA acknowledge there is a category of industries that are largely government funded, are female dominated and which offer services that have not traditionally been considered paid work and therefore valued as such, for which there is a specific wage issue that needs to be addressed.