

Policy Snapshot

Ai Group's Submission to the federal Government's *Employment White Paper*

2 December 2022



What this Snapshot covers

What is the Employment White Paper?

What is in Ai Group's Submission?

Is more information available?

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What is the Employment White Paper?

- A White Paper is an outline of a Government's policy proposals and/or proposed legislation.
- The Employment White Paper (EWP) will focus on *"the objectives of full employment and productivity growth for the benefit of all Australians, along with women's economic participation and equality."*
- The EWP has its own Terms of Reference and will build on the broad themes raised in the Jobs and Skills Summit held in early September 2022.
- The development of the EWP is being led by the Commonwealth Treasury.
- It will be released by the end of September 2023.



Ai Group's Submission to the EWP

Ai Group's submission looks at recent labour market developments finding areas of strength and weakness.

Among other challenges, a major task for Australia is that of achieving net zero emissions. This calls for a sharp uplift in economic performance if we are to also revive the growth of productivity and sustainable rises in real incomes while also making further progress in building a more inclusive community.

Our submission gives particular emphasis to policy priorities in skills development, education and training; workplace relations; and migration.



Recent Labour Market Developments



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3 successes to build on:

- Growth in workforce opportunities - especially for females
- The general rise in real wages
- Higher levels of educational attainment

3 areas to do much better:

- The slowdown in real wages growth and productivity improvement
- Skills gaps and mismatches

 Managing the labour market impacts of economic disruptions



The path to net zero emissions

DESTINATION: Net-Zero Emissions



Where does net zero fit in?

- While the costs of not taking it are much greater, the path to net zero emissions is a major disruptive force for Australia (and the rest of the world)
- Both the challenges and the opportunities require clear and sensible policy direction; capital; labour; materials; skills; and cooperation across the levels of government
- Australia's construction sector will play a central role in:
 - the energy transition;
 - building new industries and transport infrastructure;
 - transforming the built environment

Substantial improvements in the competitiveness and productivity of Australia's construction sector are central to success

 Meeting these challenges and grasping these opportunities while also raising material living standards and achieving greater social and workplace inclusion requires a concerted national effort.



Skills, education and training





Skills development, education and training

This is the central area of policy action to achieve the ambitions of the Employment White Paper: opportunity, inclusion, productivity, living standards.

- Structural reforms fundamental to a productive and inclusive path of economic and social development
- Changes required to equip Australia and Australians for the future of work
- Lifting skills and workforce opportunities opportunities for disadvantaged groups.



Workplace relations to support productivity and contemporary workplaces



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- Moving workplace relations in the right direction
- The need for genuine enterprise bargaining and to reassert the ambition of productivity improvement
- A more flexible and dynamic modern award system and a simpler workplace relations safety net
- Equal opportunities for women and the benefits of an inclusive workforce



Migration: its role and refinements that should be made to Australia's program





Migration

- Alongside greater investment in education and training of the domestic workforce, migration, and particularly skilled migration, has a central role to play in the next stage of Australia's economic and social development
- While the migration program has worked well, unnecessary costs and complexities should be reduced to broaden availability and remove anomalies and unfairness.



More information?

Ai Group's Submission

https://www.aigroup.com.au/globalassets/news/submissions/2022/employment_white_paper_30november_2 022.pdf

The Employment White Paper page

https://treasury.gov.au/review/employment-whitepaper

Terms of Reference

https://treasury.gov.au/review/employment-whitepaper/tor

The Jobs and Skills Summit

Joint business statement: <u>https://www.aigroup.com.au/news/media-centre/2022/joint-statement-of-ambition-for-the-jobs--skills-summit--acci-ai-group-and-bca/</u>

Government information: https://treasury.gov.au/employment-whitepaper/jobs-summit



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