



A M W U

**QUEENSLAND &
NORTHERN TERRITORY**

AMWU SUBMISSION

**QUEENSLAND JOBS GROWTH
SUMMIT**

APRIL 2016

Introduction

Over the past decade Queensland has experienced a tumultuous economic environment. The global financial crisis, mining boom and now plummeting employment rates have all contributed to a complex economic environment in which the future of our state's jobs growth and mix is unclear.

We must ensure that Queensland and Australia maintains a balanced economy with a diverse economic base, so as not to become over reliant on a single sector or industry. Manufacturing is a critical industry in maintaining this diversity. The success of the manufacturing industry is pivotal to Queensland jobs growth, flourishing local communities and a robust economy for our state.

Existing Industry

The AMWU understands that movement towards new industry and advanced technology is pivotal to maintaining strong jobs growth. However, there must be a transition period for working people and industry to shift from traditional forms of industry, particularly manufacturing to the industries of the future.

Throughout such a transition it is crucial that existing infrastructure, skills and industry (particularly in regional Queensland) be maintained in order to support future transitions. Accordingly, the AMWU believes that the support and protection of existing local industry and jobs in preparation for transitioning industry at a later date, will be pivotal for future jobs growth. Put simply, a loss of existing skills and industry would make it difficult to foster a transition to more advanced industries that will foster future jobs growth.

RECOMMENDATION 1: That the Queensland Government support the protection of existing local industry and jobs in order to foster a smoother transition to new industry like advanced forms of manufacturing in the future.

Local Content & Local Jobs

Fundamentally, supporting local industry requires that local industry be given full, fair and reasonable opportunity to compete for local work. Government's role needs to be in assisting manufacturers to help themselves develop more competitive and productive businesses that can compete in the current economic climate.

To ensure maximum public benefit and value for money, we must work to improve tendering while simultaneously building employment, industry, skills bases and a foundation for transitioning industries.

While the Queensland government has in the past had a strong local content policy, its practical implementation has been weakened by a lack of clout and a continuing lack of clear legislative requirements for implementation.

We cannot afford for local industry participation to remain a 'box ticking' exercise. Legislative requirements and policy compliance with tighter overall oversight and compulsory application for local content and local jobs must be adopted.

Government, through local content policy, has an important role to play in supporting the local industry and jobs, particularly throughout the transition period to new and emerging industries.

RECOMMENDATION 2: That a program of enforcement of Local Industry Policy and minimums for the utilization of local workers be adopted. This program must be backed by strong legislation with sanctions for non compliance and strong incentives for business to voluntarily adopt Local Industry Participation Plans and benchmarks.

Workplace Conditions

Jobs growth cannot be the only objective for Government and industry. We must be focused on creating good jobs, ones that are secure and fair. It is undeniable that jobs growth will have to flow from new and emerging industries. The rise of niche markets requiring highly skilled workers, particularly in the manufacturing industry will form an important part of this transition. The rise of casualisation, labour hire and FIFO work have put secure working conditions at significant risk. The AMWU submits that in this context, ensuring that workers are paid fair wages, afforded fair conditions and given opportunities for secure work will be pivotal to the effective production of high value niche products that will strengthen industry.

RECOMMENDATION 3: That the Queensland Government support and foster secure jobs with fair wages and conditions that match the high level skills that will be required for future jobs.

Regional, Rural & Remote Queensland

Unemployment rates in regional, rural and remote areas of Queensland are undeniably high. Just this year we have seen redundancies across a number of manufacturing businesses, with non SEQ areas being hit the hardest. These are also the areas where communities and local economies rely on industry the most.

Governments should adopt a range of strategies that support local industry with assistance packages, particularly where closure of a business or mass redundancies would have a significant impact on a local community. Once a loss of manufacturing infrastructure occurs in regional areas, rebuilding it will be difficult, resulting in a stymieing of transitions to advanced manufacturing in those areas.

RECOMMENDATION 4: That the Queensland Government promote strategies, including a monetary safety net, to address the potential loss of manufacturing jobs, skills and infrastructure in regional, rural and remote Queensland.

Industry Support

Support should exist in the form of localised services that assist local businesses to continue, be productive, perform at best practice standards and begin the transition to new industry such as advanced forms of manufacturing. This should occur through the establishment of Local Industry Hubs across the state that deal with skills and job matching, business support and advice for best practice at a highly localised level.

This should allow for the formation of localised business, government and union partnerships that have strong knowledge of the local economic environment, to address threats to industry at a micro level as well as matching local workers with appropriate new skills sets to new jobs.

RECOMMENDATION 5: That government establish local 'Industry Hubs' across Queensland that drive localised implementation of industry transitions and Local Content Policy in terms of skilling workers, matching appropriately skilled workers to jobs, guiding employers into areas of strategic growth, maintaining existing work and job levels and assisting employers transitioning into new technologies that will result in job creation.

The next Generation

Queensland must develop the appropriate skills to support new industry. To that end, the Queensland government should expand its Gateway program, partnering with local hubs to coordinate the rollout of the program to an increased number of schools, particularly in regional and rural areas.

Accordingly, Government should establish more industry specific schools like Aviation High School working in partnership with industry leaders and focused on post transition skills.

Government must also focus on transitioning the skills of existing workers to compliment transitioning industry. Specifically, a training scheme should be established for retrenched workers to upgrade their skills while there is less demand for work. Such a strategy will play a pivotal dual role in increasing Queensland's skills base as well as keeping people in work during down periods.

Linking skills development to temporary declines in work is an innovative way in which to address unemployment rates at present, with a view to preparing for the future simultaneously.

RECOMMENDATION 6: That the Queensland Government creates a training scheme that funds employees to upgrade their skills, with a focus on new skills during times of decreased work.

RECOMMENDATION 7: That the Queensland Government expand its Gateway program with a focus on post transition skills and partner with local industry hubs to coordinate the rollout of the program to a increased number of schools, particularly in regional and rural areas.