



PLAN FOR

**WA
JOBS**

**ECONOMIC
RECOVERY
PLAN 2020**



THANKS FOR TAKING A LOOK AT OUR ECONOMIC RECOVERY PLAN

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There has never been a more important time for WA to have a plan for jobs.



The economic impact of the COVID-19 crisis has hit working people like a freight train, with people all over the state losing their jobs, being stood down or having their hours reduced.

The impact is being felt hardest by our trades workforce, with men and women in diverse jobs all around the state feeling the brunt.

Our economic recovery plan is about getting our trades workforce working now, as well as putting in place long-term strategies to grow our manufacturing industry and create quality, high technology jobs and training opportunities for the next 100 years.

Over the last decade, our campaign has led the debate about manufacturing jobs in Western Australia. We were the campaign that forced the Barnett Government to get tough on local content during the mining boom. We launched our Plan for WA Jobs in the leadup to the 2017 state election, and were pleased to see Mark McGowan pick up many of our ideas in WA Labor's Plan for Jobs.

In releasing our economic recovery plan, we are again leading a discussion we have to have. Since the onset of the COVID-19 crisis, everyone is saying that we need more local manufacturing. This economic recovery plan outlines how we'll achieve it in Western Australia.

If we get this right, not only will WA have the manufacturing capability to protect our essential industries and services during future crises, but we'll create hope and opportunity for working people all over the state.

Thanks for taking a look at our economic recovery plan. I look forward to talking to you about it and getting your thoughts.

Steve McCartney

Secretary | Australian Manufacturing Workers' Union (WA Branch)

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COMMUNITY SUPPORT FOR STRONG GOVERNMENT ACTION

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We asked West Australian Opinion Polls (WAOP) to survey 600 voters across WA in May 2020 to find out how their jobs had been impacted by the COVID-19 crisis and what they thought of our ideas for economic recovery.

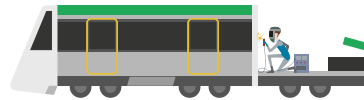
Here's a summary of what we found.

WHO'S IMPACTED



- More than a third (38 per cent) of WA workers have lost their job, been stood down or had their hours reduced.
- The economic crisis is impacting most on our trades workforce, with 51 per cent of tradies having lost their job or had their hours reduced, compared to 33 per cent of university graduates.
- As a result, regional workers have been hit hard. Trades workers are far more likely to live in our regions (47 per cent of workers), than they are to live in the outer suburbs of Perth (31 per cent of workers) and Perth's inner and western suburbs (23 per cent of workers).

WHAT PEOPLE WANT TO SEE



- Nine in 10 WA voters think WA would be better prepared for future crises if we manufactured more things in WA.
- More than eight in 10 (83 per cent) voters think the equipment needed to keep essential industries like mining, energy and transport going should be manufactured in WA.
- Almost eight in 10 voters believe the State Government should provide tax incentives and other assistance to grow the WA manufacturing industry.
- Almost two thirds of voters (64 per cent) think the State Government should increase borrowing to build projects that create jobs.
- More than three quarters (76 per cent) of voters believe TAFE should be made free for courses where there are skills shortages.

TRADIES AND REGIONS HIT THE HARDEST



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Our research found that workers with TAFE and trade qualifications have been the hardest hit by the COVID-19 economic crisis, with more than 50 per cent having lost their job, been stood down or had their hours reduced. Of these, almost half (45 per cent) had lost their jobs.

Tradies are much more likely to live in regional WA and in the outer suburbs of Perth, meaning the economic impact of the coronavirus is likely being felt intensely in these communities.

Western Australia's trades workforce includes everyone from welders to surveyors, motor mechanics to electricians and carpenters to hairdressers. While some of our trades workforce have been hit directly by public health restrictions, others continue to be hit by flow-on impacts throughout the economy.

51%

of tradies had lost their job, been stood down or had their hours reduced, compared to 33% of university graduates.

WAOP, May 2020

41%

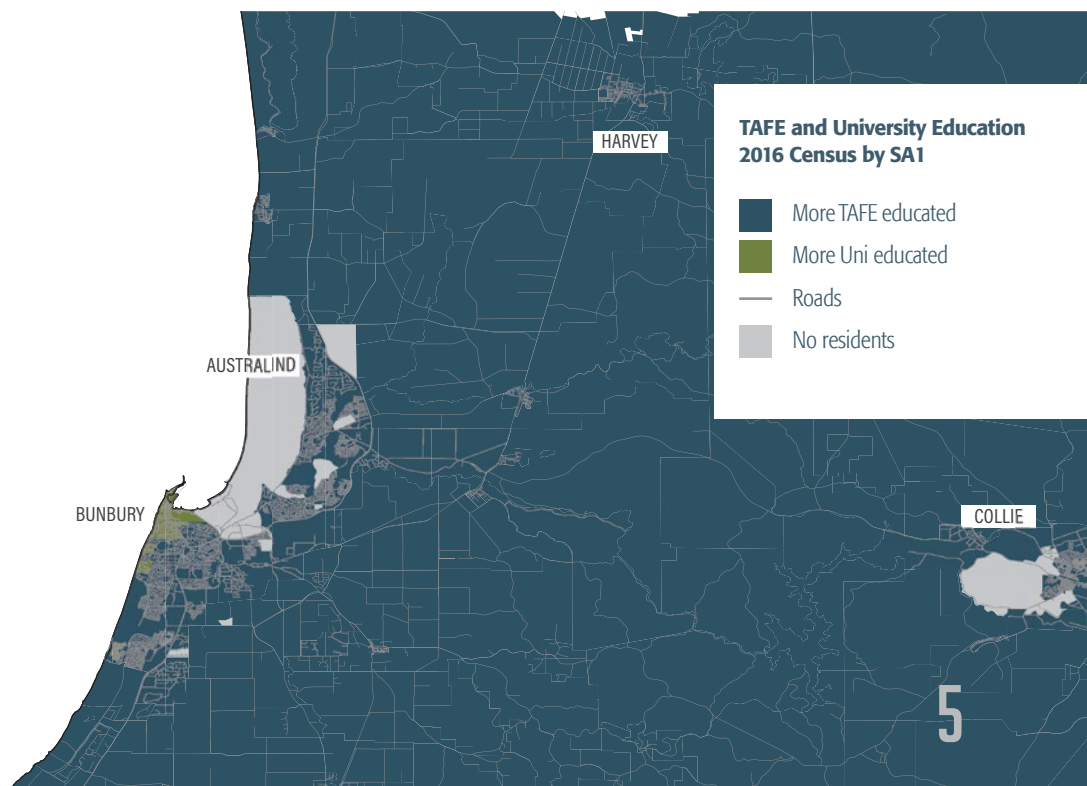
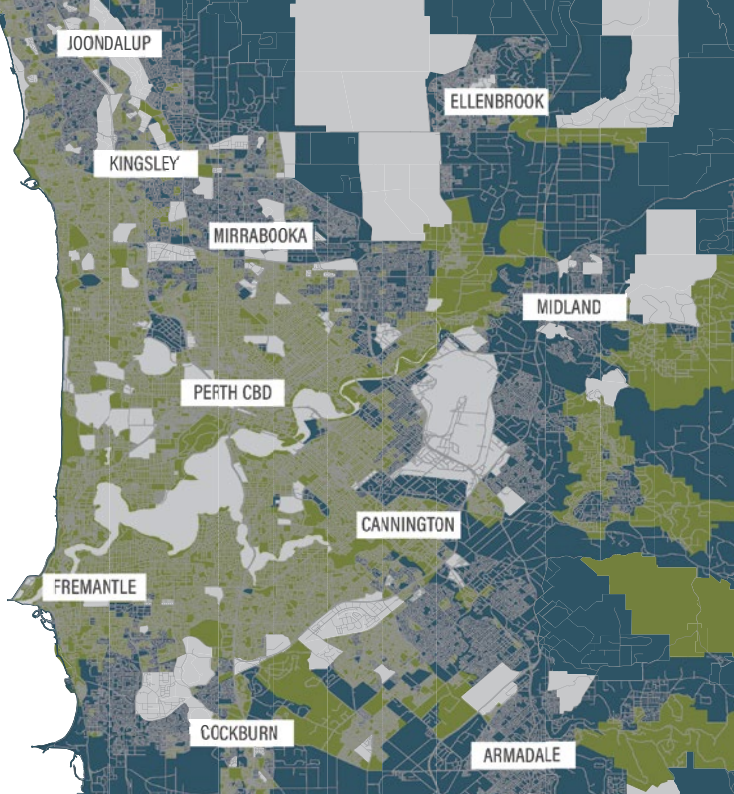
of regional workers had lost their job, been stood down or had their hours reduced, compared to 39% of outer suburban workers and 30% of inner/western suburbs workers.

WAOP, May 2020

TOP TRADE OCCUPATIONS - WA	EMPLOYED NOV 2019
Metal Fitters and Machinists	23,800
Electricians	20,900
Structural Steel and Welding Trades Workers	18,300
Motor Mechanics	13,000
Chefs	11,400
Other Building and Engineering Technicians	9,700
Carpenters and Joiners	9,700
Architectural, Building and Surveying Technicians	7,700
Hairdressers	6,600
Plumbers	6,500
Gardeners	6,500
ICT Support Technicians	5,600
Painting Trades Workers	4,900
Cabinetmakers	4,700
Bakers and Pastrycooks	4,600
Plasterers	3,800
Airconditioning and Refrigeration Mechanics	3,500
Cooks	3,500
Veterinary Nurses	3,500
Chemical, Gas, Petroleum and Power Generation Plant Operators	3,400

THE NUMBERS DON'T LIE

Australian Bureau of Statistics census data tell us that tradies outnumber university graduates in regional WA and the outer suburbs of Perth. These are the communities being hit the hardest by the COVID-19 economic crisis.



MANUFACTURING JOBS AND TRAINING CREDIT



Everybody is saying we need to do more manufacturing in Western Australia, but we need government leadership to make it happen and secure the jobs and opportunities on offer.

We're calling on the State Government to create a new Manufacturing Jobs and Training Credit (MJTC), to incentivise the growth of a WA manufacturing industry that creates jobs and training opportunities for locals.

If you are a manufacturing business located in any of the strategic, general or light industrial areas run by the State Government around Western Australia, you would be provided with a credit each year equal to the payroll tax you paid on the salaries of local workers and trainees. The subsidy wouldn't be payable for workers on visas or who were not residents of Western Australia.

The MJTC would be a direct incentive to create local employment and training opportunities in manufacturing. It is also designed to support the development of manufacturing clusters in the State Government's industrial areas, so as to foster further job development through collaboration and innovation.

90%

of WA voters think that WA would be better prepared for future crises if we manufactured more things in WA.

WAOP, May 2020

METROPOLITAN INDUSTRIAL AREAS

The State Government manages industrial areas right around the State through the Industrial Lands Authority and Development WA.



Legend

- Strategic Industrial
- General Industrial
- Light Industrial



REGIONAL INDUSTRIAL AREAS

PEEL INSET



Legend

- Freeway
- Railway
- Future Roads
- Development WA
- General Industrial



SOUTH WEST ADVANCED MANUFACTURING HUB

Our research shows that the negative economic consequences are falling heaviest on our trades workforce and the regions in which many of them live.

For people living in our South West, this is part of a double whammy. Communities in and around Bunbury and Collie are already struggling with job losses in the coal mining and coal-fired power industries, with this set to get worse over time.

In addition to our proposal for the MJTC to grow the manufacturing industry across WA, we are calling on the state and federal governments to fund the development of the South West Advanced Manufacturing Hub to service our local mining, energy and transport industries over the next 100 years.

A number of potential locations exist in and around the Picton Industrial Area, just outside of Bunbury, close to where the old Picton railyards used to be. Like the Midland workshops in Perth, the Picton railyards have provided high quality jobs and apprenticeships to generations of working Western Australians.

This region has road, rail and port access, making it perfectly situated to become a hub that services both local industry, as well as industry across the state and nation.

The Hub would provide common user infrastructure to support large and small manufacturers, as well as support collaboration and the development of new, high technology manufacturing supply chains. It would provide opportunities for research, as well as facilitating the involvement of local universities, TAFE colleges and schools. It would complement WA's existing strategic industrial areas, including providing overflow productive capacity for when the Australian Marine Complex is fully utilised.

Perhaps, most importantly, the Hub would enable WA industry to produce the plant and equipment necessary to keep our essential industries operating and creating jobs during future possible crises, where our borders might be closed.

The benefits are obvious, the land is there and the planning is underway. All we need now is the political will and funding to bring this vision to reality and provide hope and opportunity for families across the South West.



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83%

of WA voters think the equipment needed to keep essential industries like mining, energy and transport going should be manufactured in WA.

WAOP, May 2020

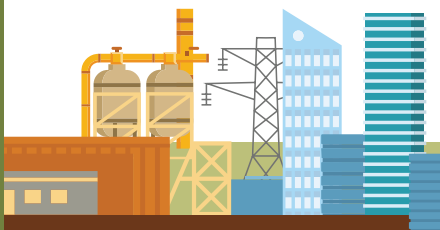
79%

of WA voters believe the State Government should provide tax incentives and other assistance to grow the WA manufacturing industry.

WAOP, May 2020



FAST-TRACK SHOVEL READY PROJECTS



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Our plans to grow Western Australia's manufacturing industry are designed to work over the medium to long term, but we also need initiatives to get our trades workforce working now.

We're calling on the State Government to fast-track the building of shovel-ready projects, such as rail lines, roads and public housing, as well as economic infrastructure to support the development of industry.

To get things moving, we're supportive of the government increasing borrowing to achieve this. With record-low interest rates, the cost of borrowing has never been lower, particularly to government. When the economy is back on track, we're supportive of the State Government returning its focus to paying down debt.

New building projects will get construction and fabrication trades workers on the tools, then spending their money in the community, which will help get hospitality and other service trades workers back on their feet.

Borrowing to build is not a long-term solution to the COVID-19 economic crisis, but it is necessary to kickstart the economy and create jobs while our other strategic initiatives are put in place.

64%

of WA voters think the State Government should increase borrowing to build projects that create jobs.

WAOP, May 2020



MORE BANG FOR BUCK

To get through this crisis as quickly as possible, we need to maximise bang for every buck spent by government and industry on new projects.

LOCAL CONTENT MUST MEAN LOCAL JOBS

The State Government has sought to boost local content in major government projects through its recently passed WA Jobs Act. It is set to introduce the Skilled Local Jobs Bill into Parliament soon, which is designed to boost local content in major industry projects. These are great initiatives that we have long campaigned for.

However, the challenge in assessing the level of local content in a project is that some local industry participation delivers greater jobs and skills development benefits than others. For example, clearing the land for new plant and equipment doesn't deliver as many benefits as its engineering, design and fabrication.

These distinctions get lost in an approach to local content calculations and reporting that uses the monetary value of a contract as the 'unit' of local content.

To ensure we maximise local economic benefits, we are calling on the State Government to look much more closely at the number of jobs created, and the broader benefits to the WA economy from skills development, in the assessment of local content. The WA Jobs Act should be amended to reflect this, and the Skilled Local Jobs Bill should incorporate this approach from the start.

76%

of WA voters support TAFE being made free for courses where there are skills shortages.

WAOP, May 2020

FREE TAFE TO SKILL LOCAL WORKERS

To get the biggest bang for every buck spent on major projects, we need to ensure that the projects are built by Western Australians. This will ensure every dollar spend stays in WA and goes on to create jobs in other parts of the local economy.

We hear regularly from industry that there are skills shortages in Western Australia, but strong government action could alleviate this.

In 2019, the State Government halved TAFE fees for priority skills courses, which are courses in areas WA has a skills shortage. We commend the government for this but call on them to go a step further by making these courses free.

In addition, we call on the government to commit to ensuring that TAFE courses are made free for skills in which skills shortages emerge in the future and, where there is no course available for that skill, commit to developing a curriculum that meets those skills needs.

Fees should be made free for courses up to Cert IV level, to provide workers with complete qualifications that are portable across employers and industries.



To stay up to date with our campaign
follow Plan for WA Jobs on Facebook and Twitter.



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