

Zali Steggall Economic Policy, 2019

I am an economic conservative who believes in a small but effective government. I support business and small business in their wealth and job-creating roles, and support regulation where it provides a clear and agreed community benefit.

Australia and Warringah should have a bright future. Australia has rich and diverse natural assets, and strong economic institutions. Warringah has ready access to the CBD and its own diverse local economy, and a healthy and well-educated workforce.

However, I share concerns that our economy is losing its competitive edge. Economic and wage growth are slowing¹, and there are too many pockets of inequality. That's why so many people, even in our electorate, are stressed about the present and concerned about the future.

This is the first election in which millennials outnumber baby boomers. The average age of our electorate is just 38, our families have on average 1.8 children, and they are almost twice as likely to have tertiary education as the national average.²

They want to know how we can future-proof Australia's economy, how all Australians participate, especially when many future jobs may be automated, and how can the people of Warringah stay at the forefront of that economy.

**Australia should grow opportunities and incomes,
with a small but effective government,
in a fair, modern and competitive economy.**

To boost opportunities and incomes in our economy, I will:

- 1. Support government policies that drive investment, innovation and job opportunities**
- 2. Support sensible reform to the tax system to assist individuals and small businesses – and reject the Labor investment tax changes**
- 3. Help develop further opportunities for small businesses in Warringah, and**
- 4. Improve policies to help women, carers, people over 55, people with a disability, and small business owners fulfil their work and family ambitions.**

There are a vast number of other issues to consider in the economy, and many of them are the subject of Liberal and Labor election promises. My stance on those promises is given on the "Issues" tab of my website.

On economic policy as in all policy areas, I will be guided by the people of Warringah, supported by expert advice. As your elected representative, my first obligation is to vote in your best interests. I will take every opportunity to listen to what you want for your families, for Warringah, and for Australia. As an independent, I will not have to vote along party lines.

1. Support actions that drive investment, innovation and job opportunities

We have to stimulate investment in areas that create opportunities and growth. This will take forward-thinking macroeconomic settings, industry and education policies.

- **Macro settings that create opportunities.** As an economic conservative, I believe that Australia must have macro settings that free business and small business to pursue their wealth and job-creating roles. This means that interest rates, wages, taxes, competition policy and other regulation should allow Australian companies to prosper, though without detriment to our community or environment. Where inequalities emerge within our community, it is up to our community through government to address these, without placing undue burdens on business.
- **Industries that create opportunities.** Fortunately, Australia can pursue many industries where global growth is expected and that complement our existing strengths. We have the necessary skills, and the businesses of Warringah are keen to pursue them.

These growth industries include digital innovation, financial and professional services, advanced manufacturing, healthcare, creative industries, clean energy and environmental technologies, tourism and international education.

These are the areas that are the focus of the NSW Government's job creation policies³, and for which Warringah is particularly well placed. I will support national policies that drive investment, innovation and job opportunities in these areas.

- **Education that creates opportunities.** If well prepared, our society can benefit from the waves of automation that are now coming to Australia. While many are concerned that automation may put jobs at risk, a more likely future is that machines will handle more of the "4D" jobs we do now (dirty, dangerous, dull and difficult). That will allow more people to have a more inspiring and productive role in our economy.⁴

However, we can't possibly predict the jobs of the future. Instead, our education must prepare people for the changing jobs and careers that we will all have. In particular, our education and vocational education should pursue the "5Cs" of curiosity, critical thinking, creativity, collaboration and communication.

I will support education and skills-based training that does more to prepare our youth for both today's jobs and the jobs ahead. Our technology specialists need more 5C skills, and our creative and personal services specialists need more technology skills.⁵ I will support initiatives that link skills, opportunities and career education for people of all ages.

2. Support sensible reform to the tax system to assist individuals and small businesses – and reject the Labor investment tax changes

As an economic conservative, I believe in low, simple and fair tax.

I do not support the Labor Party's proposed investment tax reforms on dividend imputation, capital gains, negative gearing and superannuation. On their own, they are divisive and are likely to impact those who have followed the guidelines and set up their investments accordingly.

I do support the Liberal Party's income tax reforms, which will give tax relief to middle income families throughout Warringah.

I will support income tax reforms that close loopholes in corporate taxes, and so give small business a more even playing field on which to compete with big business and employ more people.

I will support broad and sensible reforms that lead to low, simple and fair taxes across the economy.

3. Help develop further opportunities for small businesses in Warringah

Small business is the driver of our economy and our biggest employer. We hear a lot about big businesses and job losses, but small business created *all* the jobs growth in NSW between 2012 and

2016.⁶ Warringah is no exception. Small business is the backbone of our local economy.

The most visible businesses are the ones we depend on daily, in healthcare, hospitality, retail, trade and other local services, however most of Warringah's small businesses are specialist services, ranging across technical, scientific and digital services, financial services and property services.

My broad economic policies would support Warringah's vibrant small business economy. They would lift national wealth and incomes to underpin spending in the local area, and they would create more opportunities in global growth industries for our businesses.

For example, as I have set out in my Climate Change and Energy policy, Warringah is extremely well placed to capitalise on the clean energy industries of the future. The Lakeba Future Hub⁷ is an example of how we can excel in digital technology, and Manly Spirits and our Northern Beaches craft beers⁸ are examples of our more celebratory innovation.

In addition, I would work on several local and national actions to champion Warringah's small businesses. These actions would start with a summit for our local businesses, small and large, to determine the best way to create even more life in our local economy.

Among the initiatives I want to pursue are:

- a) tax policies that put small businesses and large corporates on an even playing field, and that recognise the family input into successful small businesses
- b) income-averaging (see 4b below) and other ways to support small business owners to take family care and career breaks
- c) supporting the ACCC in its work to break down unfair practices that prevent new businesses emerging, or delay payment to small businesses
- d) long-term programs to support apprenticeships and training in key trades
- e) initiatives to connect local businesses and support co-working creative spaces
- f) nationally-significant industry hubs in Warringah, for example in healthcare, the creative industries and clean energy technologies, and
- g) a supplementary university campus on the Northern Beaches for health-related courses, a part of more education opportunities on the Northern Beaches.

4. Improve policies to help carers, women, people over 55, people with a disability and small business owners to fulfil their lifelong career ambitions

My policies for national investment and innovation, as well as for small businesses in Warringah, will drive employment opportunities for people of all ages.

I am also focussed on a more equitable workplace, with greater opportunities for women, those with caring responsibilities, people over 55 and people with a disability.

Creating more opportunities for these groups makes sense. We need to draw on their talent and expertise, and ensure they have a longer and healthier working life. Our ageing demographics makes this critical: by 2036 we will have 3 working-age people for every 2 dependents, not 4 as we do now.⁹

We must do more to reduce barriers for each of these groups.

- **Those with care responsibilities. Too often families have to choose between work and caring for their kids or other family members. Yet our economy and community depend on them doing both. The longer people take time out to care for others, the more their careers and financial security suffer. While men and women are both affected, Australia has an entrenched male breadwinner/female carer culture, reinforced by outdated parental leave and child care policies. That is why only two other countries in the OECD have a higher rate of**

part-time work for women¹⁰, why women finish work with less than half the superannuation of men¹¹, and why so many women spend their later years dependent on the pension.

- **Women.** Even before family, women face a clear gender pay gap, in spite of anti-discrimination laws. Depending on the industry, our working women are paid between 5 and 27 per cent less than their male peers, with an overall national gap of 14.1 per cent.¹² Recently, women have reached 55% of university places, and studies have shown that diversity in the workplace leads to better business performance: increasing female participation by 6% would increase GDP by 1%.¹⁴ Yet due to both career breaks for family care and cultural bias (both conscious and unconscious), women make up only 30% of Australian management positions, and 17% of CEO roles.
- **People over 55.** When Australia first set its retirement and pension age of 65 for men and 60 for women, the average life expectancy was 55 for men and 58 for women¹⁵. Now people live an average 92 years¹⁶, yet retire on average at 55 – we are retired on average almost as long as we work. For people over 55 who either need or want to continue working, there is strong discrimination and bias against them. Our economy should be more focused on valuing their experience, expertise and productivity.
- **People with a disability.** Over 4 million Australians have a recognised disability.¹⁷ For those who are able, being part of the workforce provides financial independence and stability, better living standards, and improved physical and mental health. Yet between 2003 and 2015, the number of employed people with disability actually decreased by 5%, and by 17% for those with severe or profound limitation. Economic modelling suggests that closing the gap in labour market participation and unemployment rates for people with and without disabilities by one-third would add \$43 billion to Australia's GDP over 10 years.¹⁸

I will champion sensible and effective ways for women and men to access career and parenting opportunities equally. Many large corporates are leading the way with policies that create these opportunities. But government needs to support businesses by matching those policies.

There are many potential policies we should look at, and I would support national forums with specialists, industry and political leaders to work out the best policies for Warringah and Australia. For example, we should explore:

- a) Raising parental leave from up to 18 weeks to at least 26 weeks with a minimum of 8 weeks designated to paternity leave, to overcome the persistent male breadwinner/female carer culture. The UK, Canada and Sweden each allow at least 35 weeks undesignated parental leave, with the family welfare and productivity benefits earning the widespread support of business and the community.¹⁹
- b) Income averaging for small businesses, people taking parental leave or time out for family care, and people over 55 (i.e. paying tax on rolling 5-year averages, as people in the arts, sporting incomes or agriculture are able to do)
- c) Effective and equitable incentives for more flexible work and affordable childcare
- d) Further initiatives like Male Champions of Change to eliminate unconscious bias in the workplace, increase working opportunities for underrepresented groups and close their respective pay gaps
- e) Support for men and women who have to work full time for 40 to 50 years without a decent break, to alleviate the pressures this creates on their mental and physical health.

Our economy provides us with the jobs and incomes to fulfil our personal and national ambitions, big or small. We have to consider ways to create wealth and opportunities in a non-political, fact-based way. We can do that with a small but effective government, in a fair, modern and competitive

economy. I look forward to giving you a voice in a Parliament that does just that.

Zali Steggall, Candidate for Warringah, 2019

References

- ¹ McKinsey & Company, [Australia's automation opportunity](#), 2019 p 11, quoting ABS National Accounts 5206 and Household Income 6523.
- ² ABS, [Warringah Census Quickstats](#), 2016
- ³ Jobs for NSW, [Jobs for the Future](#), 2106 page 28
- ⁴ [SMH](#), "Pick, pack and stack: the robot warehouse has arrived", 30 March 2019
- ⁵ McKinsey & Company, [Australia's automation opportunity](#), 2019 p 16
- ⁶ Jobs for NSW, [Jobs for the Future](#), 2106 page 7
- ⁷ Lakeba fuses technology, commercial, legal and education experts to solve complex challenges across all industries, using blockchain and other emerging technology solutions.
- ⁸ Manly Spirits uniquely infuse gin, whisky and vodkas with marine botanicals and Australian natives. Our craft beer leaders include Nomad, Modus Operandi and Four Pines.
- ⁹ Australian Government, [Intergenerational Report 2015](#)
- ¹⁰ [OECD Data](#) accessed 2019
- ¹¹ Australian Government, Workplace Gender Equality Agency, [Women's economic security in retirement](#), 2017
- ¹² Australian Government, Workplace Gender Equality Agency, [Gender Workplace Statistics at a Glance](#), 2019
- ¹⁴ Grattan Institute, [A case for boosting the female workforce](#), 2013
- ¹⁵ ABS, [Life expectancy trends in Australia \(2011\)](#)
- ¹⁶ Australian Government, [Intergenerational Report 2015](#) p 5
- ¹⁷ ABS [Disability, Ageing and Carers, Australia: Summary of Findings](#), 2015
- ¹⁸ [Deloitte Access Economics, The economic benefits of increasing employment for people with a disability. \(2011\). pii](#)
- ¹⁹ Parents at Work, [Advancing Parental Leave Equality and Introducing Shared Care in Australia](#), 2018