

# A fair share of the future

Agenda for South Australia

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CONSUMER

SA Unions uses  
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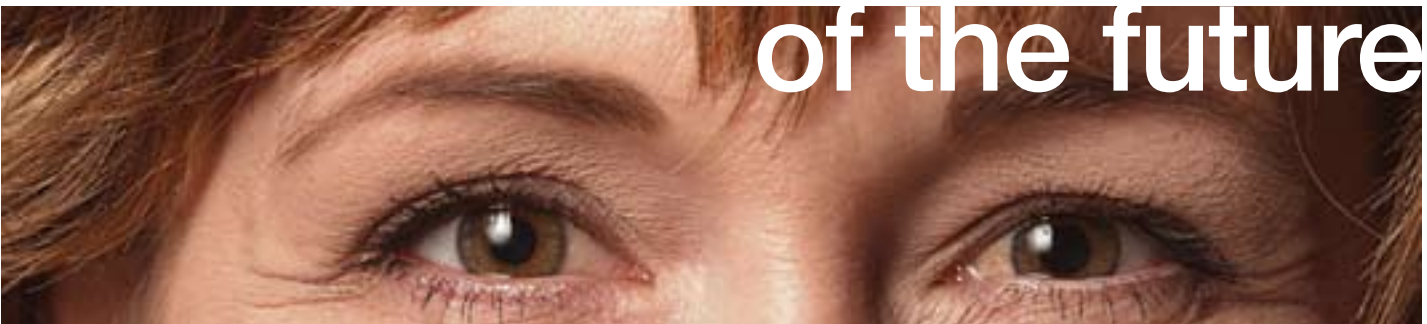
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SA UNIONS

# A fair share of the future



Agenda for South Australia



South Australia is on the cusp of economic and social change. Our economy is moving from our traditional base of agriculture and manufacturing to one driven by the mining and the defence industries with significant growth in education and community services.

We are facing the challenge of climate change which will impact on us more than other places in our nation as we live on the edge of a desert and at the end of the Murray River. The need for new technology and the emerging green economy could provide opportunities for our people into the future.

We need to all work together and generate creative solutions if we are to deal with an ageing population, increased migration and the future of our small economy in light of global financial pressures.

Unions in South Australia have a pivotal role to ensure that the economic benefits of booming new industries benefit the state's workers, their families and our communities well into the future.

We intend to actively assist in the development of our state as a socially just, productive and economically sustainable place. We want to do this through active involvement in policy, strategies and projects that will address the challenges of the future such as labour and skill shortages, climate change and social inclusion.

This is a union agenda for South Australia. It contains key goals, recommendations and initiatives. The challenge for all of us is how the future of our state can be fairly shared with its people in a sustainable environment.



**A fair share  
of the future**



# Our vision

Our vision is for a just South Australia with safe and fair working conditions and a strong, sustainable economy that supports families, communities and the environment for the future.

## We value

Collectivism

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The inherent dignity of workers

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Democracy

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Justice

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Equity and tolerance

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## We strive to achieve

Fair and just societies here and throughout the world. Ones that value human worth, foster collectivity and provide for a fair distribution of the benefits of society including the right to participate and have a say.

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The right of workers to organise together for improved rights and living standards for themselves, their families and their communities.

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Strong independent unions as a vital part of an effective democracy.

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Balance to the power and influence of business interests.

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A strong and sustainable economy for South Australia balanced with the need for a sustainable environment.

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Respect for Aboriginal people as the traditional owners and acknowledgement of their on-going relationship with the land. The delivery of genuine economic and social opportunities for Aboriginal people and their communities.







# Meeting the Challenges Ahead

## Our goals

Fair, safe working conditions and decent wages for all South Australian workers.

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A fair share of the wealth for all South Australians created by the mining expansion.

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Long term employment and sustainable communities.

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Increased skills for all South Australians.

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Businesses to behave as good corporate citizens which operate in the interests of South Australia and its people.

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Investment in the infrastructure that we need to build our economy and support our community.

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Balance between life and work.

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A valued Public Sector providing high quality services.

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Everyone working together to address climate change and the water shortage.

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Support for the transition to a carbon trading scheme for vulnerable industries and low income people.

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Fair treatment of workers from other countries.

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Strong unions supporting working people and positively contributing to the future of our state.



# Meeting the Challenges Ahead

## 1 Sharing the wealth – The impact of a mining boom and defence expansion

### Addressing a two tiered economy and inequality

Mining booms deliver strong economic growth but not necessarily a sustainable economy, or one which benefits the people and the places in which they operate. High wages in some parts of the economy but not in others, and a rapid influx of workers can lead to price rises, housing shortages, greater inequality, significant social issues and even a lowering of skill levels in vital areas.

The Western Australian mining experience has increased inequality creating a two tiered economy. We need to learn from this and ensure the wealth created is shared and distributed to the whole community and communities are supported for the long term.

The Air Warfare Destroyer project and the expansion of defence industry should provide opportunities to build a high end manufacturing sector and the challenge of climate change has the opportunity to create a new green manufacturing jobs.

This will require innovation, planning and investment so we can ensure there are long term jobs and industry in our state.

#### Royalties from Mining Companies

##### Western Australia

2.5% and 5% for some minerals,  
but 7.5% for bauxite and iron ore

##### Queensland

Coal 7-9%, Petroleum 10%

##### South Australia

3.5%

*Source: Compiled from State Indenture Agreements  
and Mining Acts*

#### RECOMMENDATIONS:

- Legislate for a significant increase in royalties of mining companies in our state.
- These royalties to be used to develop social capital in the areas in which they operate including infrastructure and programs for community development.
- Introduce and enforce an open and fair process for the negotiation of mining rights and other issues between Aboriginal people and companies.
- Ensure that value adding is an integral part of the mining and defence industries and that the expansion of these industries delivers a sustainable processing and manufacturing sector.
- Focus on innovation in the development of a long term manufacturing industry that links with the defence industry and the green economy.
- Incorporate the provision of social infrastructure into all plans for industry expansion including the provision of affordable housing, community, education and health services.







## Labour and skill shortages

There is current and growing shortage of skilled and unskilled workers to drive the future economy of our state. This provides an exciting opportunity to raise the skill level of all our people. Places who invest in the education and skills of their citizens are best equipped to face the future.

Unions are ready to positively and strategically contribute to this challenge through Industry Consultative Bodies, Industry Skills Boards, the Training and Skills Commission and Registered Training Providers including TAFE.

### RECOMMENDATIONS:

- Fund the implementation of a 5 year strategic workforce plan that addresses skills and labour needs, makes the best strategic use of federal Government funding takes advice from industry skills boards unions and employers.
- Ensure that there is a simple, smooth and supported transition for young people between school, training and work.
- Extend the successful model of employer training levies currently operating in the construction industry to other industries, so we better address training and skill needs. These levies and the programs they fund to be managed by union/employer industry boards.
- Provide high quality training provision that has value for workers and builds qualifications and expertise that they can use into the future.
- Ensure that training plans address all workforce needs including those in the health, education, community and service sectors.
- Retain and attract young people to our state by making it a vibrant and safe place to come and live.

### Projected SA workforce needs over next 10 years

133,000 additional workers due to major projects

Total employment increase from 777,600 to 910,300

Another 206,000 workers needed to replace people

Source: Review of Skills and Workforce Development in South Australia – The Challenge for the Next Decade ECONOMIC DEVELOPMENT BOARD June 2008

## Participation in the labour market

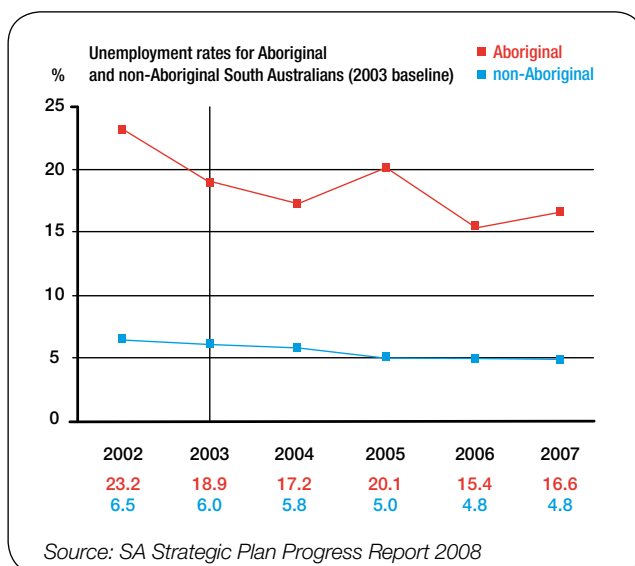
There are many people in our state who have the ability to work – the young, long term unemployed, women, Aboriginal people, refugees, migrants and injured workers. The next ten years is an opportunity to provide work for many vulnerable people in our community and secure a future for them and their families and for the benefit of the state.

Some of these groups will need specially designed programs.

Unions have the knowledge and experience to assist in this area by designing and running training and employment programs in partnership with the community sector.

### RECOMMENDATIONS:

- Set training and employment targets for disadvantaged groups in indenture and procurement agreements with companies and as a condition for any Government assistance to industry.
- Provide employment for the traditional owners of the country in which the new mines operate.
- Support a women's employment strategy for the state that addresses the low level of women's participation by providing better training and access to the new jobs in the economy.
- Provide special tailored programs which increase the skill and employment of South Australians who currently have no or little access to employment.



## Encouraging good corporate citizens

SA has many businesses which are proud of their connection with the state, work positively with workers and their unions and contribute positively to the SA community.

The push to simply deliver cost reduction to business does not necessarily guarantee any benefit to workers or the community at large. Less revenue from business into the state economy means fewer social programs and an increased reliance on federal funding and personal levies and taxes. Instead business can be encouraged to be good corporate citizenship through incentives including a reduction in taxes and charges.

### RECOMMENDATIONS:

- Introduce a “SA Good Corporate Citizen” award which recognises and promotes businesses that are committed to South Australia, work positively with unions, support their workers, have sound environmental practice and social commitment.
- Provide payroll tax cuts for businesses who provide flexible working conditions including additional paid parental leave.
- Reduce WorkCover levies for employers who employ injured workers from other businesses.
- Change the state red tape reduction process to ensure it is only used to genuinely improve systems. The scheme should not undermine important regulations which safeguard workers, the community and the environment or remove the requirement for business to pay its share.
- Abolish the state competitive council and establish a “triple bottom line” approach to government decisions which identify social, environmental and economic impacts, rather than costs to business.
- Ensure that treasury designs the state budget around the targets set in South Australia’s (SASP) strategic plan including the allocation of funding to these targets.
- Provide a community engagement grant scheme that provides financial support for collaborative projects involving employers, unions and communities to assist in the meeting of the targets under the SASP.

## Reducing Costs for Business

Between 2006-2008 the State Government has created savings for business of over \$170 million by reducing costs including.

- \$5.4m per annum in reduced WorkCover payments from business.
- \$34.7m per annum less in compliance requirements for Mining and Primary Industry.
- \$24.7m per annum from reduced compliance requirements in Transport.

Further reductions in employer WorkCover levies are promised.

Payroll Tax reductions of \$600m over 5 years

Other un-costed changes being implemented/ considered by the Government include

- WorkCover review and legislative changes.
- Planning and Development Review estimated to result in savings to commercial developers of nearly \$50 million.
- Reducing occupational health and safety regulations.

*Source: Reducing Red Tape For Business in SA 2006-2008. Government of South Australia*

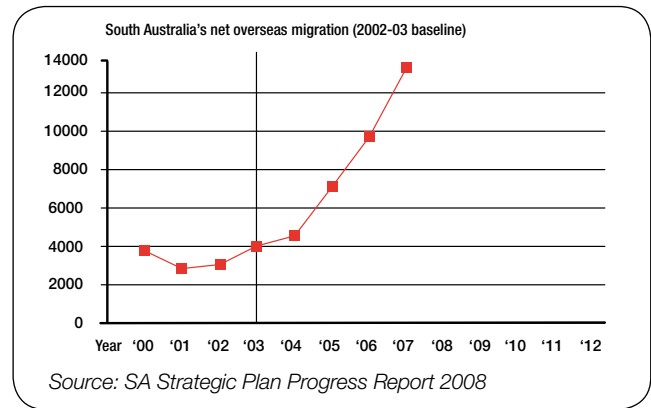


## Overseas workers

Our priority must be to raise the skill level and provide employment opportunities for those who live here but we have always encouraged people to come from other places to work in our state and nation. We welcome diversity, not exploitation. To rely on temporary visa and guest labour schemes to address our skill and labour shortages will not benefit our state in the long term and could also drain much needed skilled workers from needy countries in our region.

### RECOMMENDATIONS:

- Abolish the temporary visa system as a poor solution to labour and skill shortages in favour of genuine and fair immigration programs.
- Ensure that seasonal worker schemes protect the rights of workers, benefit them and their communities and do not take away employment opportunities or undermine conditions and wages of local people.
- Expand Workplace English Language programs to assist refugees and migrants to learn the language and better understand their rights.



## Infrastructure development

If we are to maximise the opportunities of economic growth we need to urgently update the infrastructure of the state. Investment in infrastructure will also help cushion against the worst effects of the global economic crisis.

Transport corridors and the better use of rail from the Southern and Northern suburbs of Adelaide to the Port, and from Adelaide to the north of the state and beyond are crucial to all our industry and exports.

Public transport needs an urgent upgrade if we are to improve the quality of life and access to employment for many South Australians as well as reduce carbon emissions.

The planned hospital upgrade is a great start for an increased focus on improving our social infrastructure.

Now is the time to integrate our environmental and social policies so all new developments in the state reduce our carbon footprint, build communities and assist in managing our water use.

The reliance on private funding of public infrastructure needs to be viewed with caution as this can lead to increased costs for the general public and a financial burden to the state over time.

### RECOMMENDATIONS:

- Ensure the state infrastructure plan addressed the key issues of transport, climate change and social infrastructure.
- Generate venture capital for infrastructure development from industry superannuation funds created by workers' investments.
- Stimulate economic growth through state Government investment and borrowing for infrastructure development.

“What I want to establish clearly on the record is that any failure to link our superannuation system to our national infrastructure needs is emphatically not an unwillingness of super funds and their managers to meet the challenge.

The large scale and rapidly growing industry funds, for example, have a particularly strong appetite for such infrastructure investment.”

*Address to National Press Club, May 2007.  
“Superannuation and the National Interest.”  
Gary Weaven, Chair, Industry Funds Management*







## 2 Fair and Safe Work – Building a productive and engaged workforce

### Re-instating Fair Work laws

Workers, through their unions have always campaigned for better rights through balanced and fair laws. This has delivered protection for the vulnerable, social cohesion and improved equity for our state and our nation. Union collective bargaining has delivered significantly improved productivity and engagement of workers in their workplace.

There are groups of workers such as young people, newly arrived workers and those in uncertain and casual employment, who are more vulnerable and need special protection in the law from exploitation.

### RECOMMENDATIONS:

- State Government to use their influence to assist in reinstating fair work laws through a new national IR system including a safety net for vulnerable workers, the right to collective bargain and protection against unfair dismissal.
- Abolish the specific laws currently operating in the Construction Industry (ABCC) which unfairly target union activity and contribute to unsafe and unfair work.
- Support the continuation of a state industrial relations system for the public sector and other areas not adequately covered by Federal Law.
- Implement high quality programs in schools, including programs about rights at work and the role of trade unions as part of the South Australian Certificate of Education.
- Legislate for special protection of young workers under state law.
- Ensure all new workers arriving in this state understand their rights and have access to union membership.

The Inquiry into the Impact of Work Choices on South Australia October 2007 describe the situation of workers who had been sacked, following the removal of unfair dismissal protections:

“Some have been dismissed without any redress and with no opportunity to argue the nature of the harsh claims made against them. The lack of procedural justice for these employees imposes high costs – both personal and material. The arbitrary basis of their loss of redress – based on size of their firm – makes this injustice hard for them to take.

Many are likely to carry their injury into the future, affecting their labour market participation and imposing hidden health and workers compensation costs.”

*Not fair, No choice: The impact of WorkChoices on twenty South Australian workers and their households  
Centre for Work + Life, University of South Australia.*

## A strong safety regime

Every worker should know they can come home safely from work to their families. Improved Occupational Health Safety and Welfare (OHSW) is also critical to increased productivity and the future of our state.

In the immediate future, jobs growth in SA will be occurring in the more dangerous and remote industries. This calls for a stronger, targeted focus on safety if we are to prevent the injury and death.

Current systems of OHSW prevention, intervention and prosecutions in our state are too relaxed. We have some of the lowest penalties in the country and no right of entry for union officials to ensure workplaces are safe. Young workers and new arrivals to our state are most likely to be injured at work and need special attention.

### RECOMMENDATIONS:

- Adopt a zero workplace injury and death target for the state.
- Legislate for the highest standard of national harmonised OHSW laws to create consistency for industry and fairness for all.
- Introduce the right of entry for union officials on OHS grounds.
- Introduce industrial manslaughter legislation and civil penalties for SA businesses who recklessly cause injury and death of their workers.
- Make the election of union trained health and safety reps compulsory in all workplaces.
- Improve the quality and operation of the OHS inspectorate including the establishment of specialised teams who will focus on dangerous, remote, new and expanding industries.
- Resource and implement a comprehensive SA asbestos action plan which includes extensive public education on the dangers of asbestos and ensures that victims and their families are well looked after and given access to justice.
- Introduce a system of on-the spot fines for breaches of OHSW.
- Make SA a World Health Organisation certified "Safe Community".
- Require all year 10 students to complete the certification "Passport to Safety" to set a standard in OHS knowledge.

**Andy\* was 17 years old when he came to see us. He started working as a general labourer for a building and maintenance company when he was 16 years old.**

Throughout the 18 months of his employment, he experienced several concerning breaches of occupational health and safety laws, which left him with workplace injuries. On one occasion, he worked on a site that contained asbestos.

*SA Young Workers Legal Service submission to Child Labour Laws discussion paper, 2008. \*real identity not disclosed*

## Fair treatment of injured workers

Following recent changes to the WorkCover laws injured workers now have fewer rights and some of the most inadequate entitlements in the nation. Coupled with the worst return to work rate injured workers are in danger of being cast aside without income or employment causing increased social and workforce problems.

### RECOMMENDATIONS:

- Reinstate fairness in the worker's compensation system in line with SA Unions policy "A Fair and Just Workers Compensation System for SA".
  - Measure success of the system by genuine return to work of workers not discontinuance of payments or liability release.
  - Strengthen and enforce obligations on employers to care for and employ injured workers.
  - Invest in retraining for injured workers.
  - Provide workers with the ability to pursue their employers for negligence.
- “These laws will force people to go back to work before they are recovered and in our profession this could have a detrimental effect on the service we can provide.**
- We do important and dangerous work. We want to know that if we are injured we will be properly supported.”**

*Phil, SA Firefighter*

## An active and valued public sector

The challenges facing our state require an effective and professional public sector workforce. They are the key to ensuring that the wealth is shared and social and community issues are addressed through effective policy and action. Public sector workers are given the task of implementing Government policy and South Australia's Strategic Plan, and as such, should be appropriately recognised and resourced. It's time to stop the blaming and demonising of the public service and instead engage their expertise and recognise their contribution and value. We need to revalue the importance of frank and fearless advice from public servants to Government.

## RECOMMENDATIONS:

- Promote the important role of the public sector to the operation of our state including opposing outsourcing and privatisation of Government services and providing the resources necessary to provide high quality public services to the community, including in regional areas.
- Actively engage workers and their unions in open discussion about public sector reform.
- Renew and rejuvenate the public sector in a way that promotes diversity, celebrates the work and encourages young people to see it as a valuable career choice.
- Ensure the Public Service is the employer of choice and the State leader in training and development, working conditions and wages.
- Ensure public sector workers have the same rights as other workers to collectively bargain and be active union members.
- Ensure the laws that govern the public sector do not give unrestrained powers to the Chief Executives.
- Create a system of genuine collective bargaining in the public sector that provides for fair and speedy resolution of disputes.
- Address the interstate migration and skill shortage of professionally qualified public sector workers through nationally competitive salaries and other incentives.

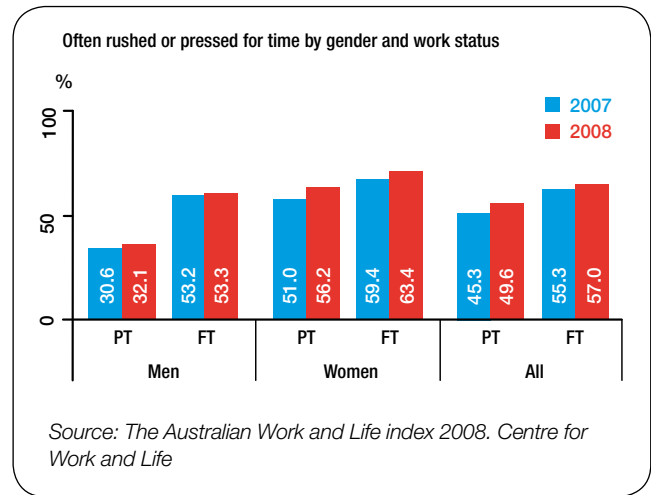




## Work and life

If we are to grow our population, support existing workers and their families and increase the workforce participation rate, particularly of women, we need to address the issue of balancing the competing demands of work and life.

A state which values and supports workers to engage in community life and spend time with their families will give us an edge in a competitive labour market.



### RECOMMENDATIONS:

- Support a national paid parental leave scheme with an additional "SA entitlement" to give us an edge in a national labour market.
- Create a well resourced work and life unit in Government which will develop, promote and support initiatives, particularly in the private sector.
- Require Chief Executives in the public sector to report annually on the take up of flexible work conditions.
- Update the Equal Opportunity Act to include unlawful discrimination on the grounds of family responsibility.
- Provide high quality affordable childcare for SA families.

## Wages

SA is currently a low wage state. Unless this is addressed it could exacerbate labour and skill shortages as workers chase high paid work rather than low paid service industry jobs. If we are to attract workers we need to raise the bar.

We also need to prevent the creation of a larger gap between low and high wage jobs in the workforce which leads to greater inequality in the community.

The SA gender pay gap is the third highest in the nation behind WA which has the greatest gap between male and female wages. If women's traditional work is not better valued and if women remain excluded from the higher paid jobs in defence and mining then this will only get worse.

Youth wages combined with high levels of casual work continue to keep young people at the bottom of the economic heap.

### The Gender pay Gap by state – ABS figures, May 2008

	\$ Male	\$ Female	\$ Gap	% Gap
<b>NSW</b>	1,218.10	1,034.40	183.70	17.8%
<b>VIC</b>	1,166.00	1,008.00	158.00	15.7%
<b>QLD</b>	1,124.40	969.90	154.50	15.9%
<b>SA</b>	1,111.40	937.20	174.20	18.6%
<b>WA</b>	1,398.50	1,014.10	384.40	37.9%
<b>TAS</b>	1,053.00	952.80	100.20	10.5%
<b>NT</b>	1,176.80	985.40	191.40	19.4%
<b>ACT</b>	1,412.30	1,214.30	198.00	16.3%

### RECOMMENDATIONS:

- Introduce conditions in procurement agreements for Government services that guarantee decent wages and collective bargaining.
- Support a decent minimum state wage.
- Support multi employer bargaining which sets fair industry standards for small business.
- Address the growing gender pay gap by attaching more value to the traditional work of women and encouraging employment of women in high paying and non-traditional areas of work.
- Abolish youth wages.
- Regulate sub contracting arrangements to ensure responsibility for decent wages is not able to be outsourced.

## 3 Climate change – On the edge of a desert, at the end of a river

Although we are national leader in renewal energy, South Australia is especially vulnerable to climate change. In addition, the supply of enough water to support our population and our industries has become a urgent issue. Good management of the Murray and our state's water system is fundamental to the future viability of our state. Without it we face the loss of our food, wine and agricultural industries.

Other key industries in our state leave a high carbon footprint. A Carbon Emission trading scheme is crucial to the future of our nation and the world but there are implications for workers and the state economy that need to be considered.

The necessary changes we need to make to address climate change could create an unintended burden on the poorest in the community unless we take measures to address this.

### RECOMMENDATIONS:

- Hold a major forum in 2009, which brings together union, community, environmental and business groups with political leaders from all parties. This forum will examine the impacts and the implications for our state economy, industries and community, of water, climate change and the emissions trading scheme. The aim of the forum will be for us to all work together to address these challenges facing our state.
- Develop ways to support industries and workers to manage the carbon trading scheme and provide skills and opportunities in the transition to a greener economy.
- Invest heavily in the development of green jobs particularly in the manufacturing sector with the aim of becoming the Australian leader in green job creation.

**The Southern Cross Climate Coalition (SCCC) has been formed by some of Australia's leading social, union, environmental and independent research organisations to help lead an effective and fair response to climate change.**

Climate change is one of the most significant challenges to our planet and our future wellbeing.

We share the view that Australia faces major climate change risks unless the nation makes an urgent and orderly shift towards a low-carbon economy. We acknowledge that the transition poses challenges for some of our communities.

But we believe that it will also create great potential for long term prosperity and jobs growth.

We aim to build on the Australian tradition of working together through challenging times.

*From: A Joint Statement by the Australian Conservation Foundation, Australian Council of Social Service, Australian Council of Trade Unions and The Climate Institute.*

- Bid for SA to be the home of the promised federal Solar Technology Centre.
- Provide Government subsidies for low paid workers to adapt their homes and compensate them for the carbon emissions trading impact.
- Establish a "Green Heroes" project which assists, rewards and promotes workplaces and communities that adopt green practices.









# Meeting the Challenges Ahead

## 4 A strong union movement – Crucial to a democracy

Unions represent the collective voice of working people. All workers benefit from the activities of unions and the sacrifices made by generations of union members.

In addition to helping members in the workplace, unions are active in their communities helping to make conditions better for working people and their families. Unions, individually and collectively, campaign on issues that affect working people such as, hours of work, health and safety regulations, work and family, workers compensation, long service leave and many other employment conditions.

The union movement is the only organisation that unambiguously sets out to promote the interests of working people. In doing so it has made a significant contribution to the development of South Australia's reputation as a national leader in many areas of social and economic reform.

Unions have been at the forefront of struggles to improve and protect education, health and all the other important public services. Unions fight budget cuts, and oppose laws and ill advised developments that ruin the quality of life in our communities. Unions support people in need by lobbying to improve pensions and pursuing cases to improve the minimum wage and supported wage.

Strong, independent and democratic unions are crucial to a strong system of democracy. They provide an important balance to powerful vested interests and ensure that important issues such as the impact of globalisation on workers are not ignored.

Through their unions, working people improve their workplaces, add value to their industries, engage in their communities and advance the state as a whole.

### RECOMMENDATIONS:

- The State Government to recognise the important role of trade unions and the right of SA workers to join and actively participate in their unions.
- Support for elected delegates to do their job and for members to attend union training.
- A right of entry for union officials to workplaces in order to provide support and information.
- Consult with unions about key policy areas for the state.
- Include union representatives on the key boards and bodies in the state in order for workers' voices to be considered in decisions.



A large, dense crowd of people is gathered outdoors, likely at a political rally or demonstration. The crowd is diverse in age and appearance. Many individuals are holding flags, including several white flags with the 'NEW' logo in blue and red, and green flags with various symbols and text. Some people are wearing high-visibility vests. The scene is filled with movement and energy, with people looking in various directions. The text 'A fair share of the future' is overlaid on the right side of the image.

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[www.saunions.org.au](http://www.saunions.org.au)