



**Professionals
Australia**

Rebuilding a stronger and fairer Australia

2021-22 Pre-Budget Submission

January 2021

After the largest economic downturn since the Great Depression, the 2021-22 federal budget presents an opportunity to rebuild the Australian economy, lay the foundations for long term economic growth and address long standing inequities in the labour market.

Australia's economic recovery requires policies designed to lift productivity and investment in physical and social infrastructure, science, technology, engineering and high value manufacturing.

To create long term economic growth, we need budget initiatives that create skilled, high quality and secure jobs. To create an economy which is fair, we need industrial laws that protect workers' wages and strengthen their workplace rights and conditions. We also need concerted action to improve women's workforce participation and employment outcomes.

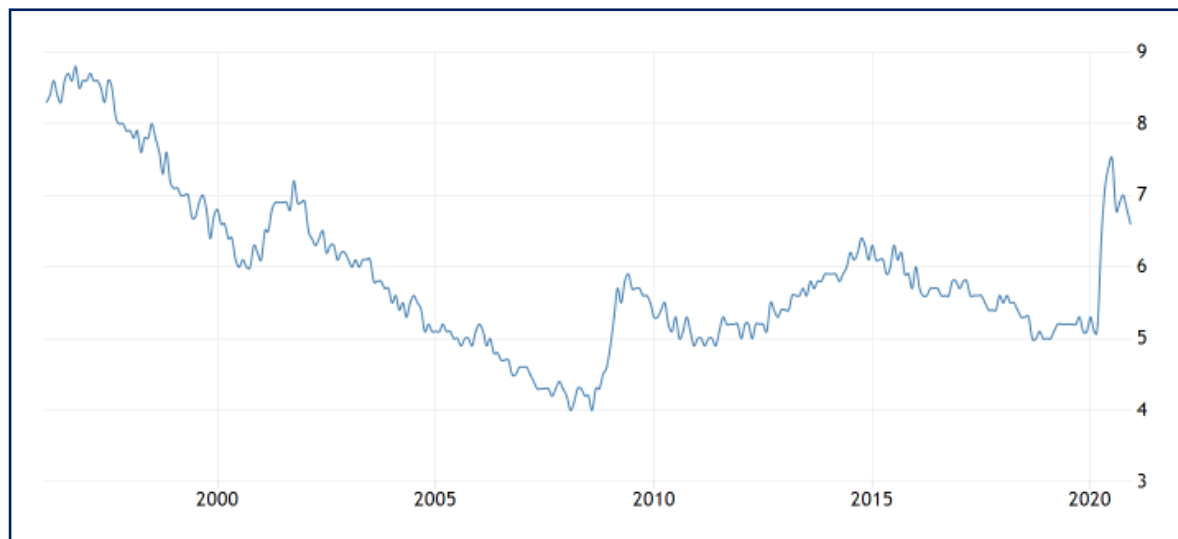
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Foreword

The COVID-19 pandemic created the largest economic downturn Australia has known since the Great Depression. While employment and economic growth improved in the last quarter of 2020, the economy is still 4.2 per cent smaller than it was in December 2019 and 6.4 per cent smaller today than the Reserve Bank expected in its pre-COVID forecasts.

The employment impacts of the pandemic have been particularly severe. Peaking at 7.5 per cent in July 2020 with over a million Australians out of work, joblessness remains at levels well above the Global Financial Crisis - at 6.6 per cent in the December 2020. At the same, over a million Australians are underemployed. While some industries are bouncing back, the recovery is uneven in terms of sectors, employment status and geography.



Australia - rate of unemployment – 2000 - 2020

For example, while the supermarket sector and online retail have enjoyed significant upturns in demand, hospitality, tourism and the airline sector continue to struggle with low or patchy demand due to the impact of the COVID-19.

The impacts on business and employment also have a geographical dimension. While small businesses such as cafes and restaurants in suburbs have thrived as large numbers of people work from home, businesses located in Australia's CBDs have suffered huge declines in trade, forcing many to close.

The precarious nature of employment for casual workers has also been laid bare. They were the first workers to lose their income as many businesses operating below capacity laid off staff or reduced their hours. With the Government's decision not to include casual workers in JobKeeper, many of these workers had to fend for themselves.

Significant opportunities for investment to stimulate job growth were missed in last year's Budget. While investment in new and accelerated infrastructure projects was welcome, the \$1.5 billion provided for manufacturing was inadequate considering the sector has an annual output of around \$100 billion and has renewed opportunities for growth in a post-COVID world where the vulnerability of international supply chains has been exposed.

The scale of broader support for the education and research sectors was less than expected given the impacts of the COVID-19 pandemic on research and universities.

The COVID-19 pandemic requires a much stronger focus on gender diversity in STEM (science, technology, engineering and mathematics) with concerns that the health crisis could impact negatively on employment outcomes for women and further entrench the under-representation of women and other groups in STEM fields. The 2020-21 Budget announcements did nothing to tackle these concerns.

More broadly, there was little investment to match the rhetoric about the disproportionate impact the pandemic had on working women. Calls for affordable and geographically accessible childcare went unheeded, overlooking the vital role of childcare in lifting workforce participation – a pre-requisite for economic growth in the wake of the pandemic.

The scale of the response to aged care, disability care, mental health initiatives and the lack of investment in social housing construction were also of concern.

Arising from the Retirement Incomes Review, there has been speculation that the Government is considering cutting the legislated Superannuation Guarantee increases. Lifting superannuation from its current 9.5 per cent to 12 per cent was a policy designed to bridge the gap in retirement savings, which currently sees the average Australian run out of retirement savings 10 years before they die. It was also an election commitment of the Government to honour the legislated increases.

As millions of Australians were forced to raid their superannuation retirement savings to get through the pandemic, now is the time to help Australians rebuild their superannuation accounts, not further erode them. The full implementation of the legislated increase in the superannuation guarantee to 12 per cent by 2025 is essential to secure a dignified retirement for working Australians.

After the largest economic downturn since the Great Depression, the 2021-22 Budget presents an opportunity to rebuild the Australian economy, lay the foundations for long term economic growth and address long standing inequities in the labour market. Australia's economic recovery requires policies designed to lift productivity and investment in physical and social infrastructure, science, technology, engineering and high value manufacturing.

To create long term economic growth, we need budget initiatives that create skilled, high quality and secure jobs. To create an economy which is fair, we need industrial laws that protect workers' wages and strengthen their workplace rights and conditions. We also need action to improve women's workforce participation and employment outcomes.

The following highlights our key budget priorities followed by a broader discussion of our views about the strategic focus of the next Budget.

Top budget priorities

There is a need for a strong framework of long-term investment for growth. We need strategically directed stimulus measures in areas where the investment will have the greatest impact while also delivering productivity gains that underpin job creation, wage growth and fair workplace outcomes.

➤ **Fair industrial regulation**

You cannot heal the economy by hurting workers. We need an industrial relations system that delivers fairness and security to Australian workers - a system that is designed not only to address the immediate challenges of economic recovery, but to unlock long term prosperity. Fair industrial laws will support the goal of a highly skilled and productive workforce and safeguard living standards. The Government's proposed industrial relations reforms are counterproductive, enabling employers to pay below the minimum, accelerate casualisation and compromise fair industrial outcomes. They will undermine attraction and retention of staff across the key technical professions, such as in pharmacy which is already the lowest paid skilled profession with major issues around workforce retention.

➤ **Strategic investment in emerging areas**

Strategic investment in emerging knowledge-based industries like biotechnology, advanced manufacturing, artificial intelligence, ICT and environmental sustainability will be vital to secure Australia's international competitiveness and guarantee future prosperity.

➤ **R&D investment by 2030**

Research and development expenditure underpin the innovation required to create new products and businesses. Yet our R&D investment is 2.2% of GDP ranks poorly against other OECD nations - behind Belgium, France and Slovenia. To strengthen our international competitiveness, we must increase our R&D investment to at least 3% of GDP by 2030.

➤ **Investment in residential and civil construction**

Continued investment in residential construction and civil infrastructure including road and rail projects is critical. However, investment in social housing construction remains grossly inadequate and must be increased as a matter of priority.

➤ **Chief Engineer in each state**

Engineers are key drivers of the economic recovery, delivering projects in the Government's stimulus plan and driving economic innovation in our regions. A large share of our national wealth hinges on the contribution of engineers, and their ability to provide new ideas, products and solutions. The engineering profession does not have its proper place at the decision-making table. Often those managing engineers don't have the technical skill required. A lack of engineering input is affecting outcomes – blocking innovation, while increasing project waste and cost as well as timely delivery, safety and quality outcomes. Support for a Chief Engineer in each state is needed to ensure that the fast-tracking of reconstruction efforts do not compromise on quality and professional standards.

➤ **Workplace mental health**

COVID-19 has revealed the vital importance of our health system and the deep deficiencies in our mental health sector – particularly in the capacity of employers to de-risk and manage workplace mental health hazards in a changing workplace environment. The Government should take a lead role through Safe Work Australia in driving awareness of the need for investment in workplace mental health through the 2021-22 Budget.

➤ **Investment in skills**

We need investment in keeping engineers', scientists', IT professionals' and other professionals' technical and broader workplace skills up to date by committing to career-long learning and

more modular forms of training and re-skilling to ensure an agile and well-trained workforce is available to lead us through economic recovery.

- **Commitment to Superannuation Guarantee legislated increases**

Three million Australians have taken a total of \$36 billion out of their super accounts as part of the government's 'early access to super program' and 480,000 have already emptied their super accounts, seriously undermining their capacity to access a dignified retirement. We call on the Government to support the already legislated superannuation increase from 9.5 per cent to 10 per cent in 2021 through to the legislated 12% in 2025 and to address the range of factors that contribute to women's lower retirement savings.
- **Education and research to lift productivity, create jobs and provide equality of opportunity**

It is essential that we recognise our universities and research institutions as vital ways of lifting productivity, generating jobs and creating new businesses. We must ensure that the tertiary education system is positioned to respond to industry needs and continues to effectively build the nation's STEM skills base. Further investment in research capacity is also required to ensure that Australia strengthens its research base after significant contraction during the pandemic.
- **Gender diversity as critical to innovation and a sustainable STEM workforce**

Gender diversity is crucial to the ongoing expansion and success of STEM and in turn, the capacity of STEM to drive higher workforce participation and productivity growth as we emerge from the pandemic. As a priority, the Government should invest in affordable and geographically accessible childcare because of its critical role as an enabler of greater workforce participation.
- **Attracting STEM skills to the Australian Public Service**

The Australian Government is failing to attract the required STEM skills into the public service and the current wages policy will only worsen the current predicament. Adequate flexibility is not being given to agencies to provide packages of wages and conditions that attract and retain skilled technical staff. The 2021-22 Federal Budget must develop and fund a whole of service STEM workforce plan.

Strategic investment in STEM

When flow-on effects are considered, the impact of STEM fields amounts to over 26 per cent of Australian economic activity, or about \$330 billion per year. In advanced economies, advanced science directly underpins between 10 per cent and 15 per cent of economic activity and in Australia, 65 per cent of economic growth per capita from 1964 to 2005 can be ascribed to improvements in our use of capital, labour and technological innovation – made possible in large part by STEM.

A vibrant and sustainable STEM workforce is essential to virtually every goal we have as a nation – including rebuilding the Australian economy as we move through the pandemic. We need policies that ensure science and innovation play the central role they should in the nation's economic growth – we should increase productivity through strategic investment in engineering, science, research and development (R&D) and technology.

We need a national strategy that values STEM professionals' work and defines their place in shaping the nation's future. Australia must strengthen its STEM skills base and increase engagement between the science and technology sectors, government, industry and academia. The level of ongoing investment in STEM will determine the size and impact of future dividends to the economy.

The professional workforce - including STEM professionals - will play a crucial role in meeting the challenges of the pandemic and will be central to economic recovery, so for strong investment in the STEM workforce, science and R&D as part of the 2021-22 Budget is absolutely vital.

Engineering

Professionals Australia sees investment in physical infrastructure as one of the key measures to keep people employed, businesses viable and to support the productive capacity of the economy. Infrastructure development and maintenance can be used as effective tools for fiscal stimulus and targeted Government spending on infrastructure will help create jobs and drive economic growth.

Current engineering practice is about the practical application of technology, science and research-based solutions to address the major challenges of the 21st century. The traditional model of innovation has engineers taking scientific discoveries through a process of applied research, design, manufacture or construction and commercialisation with a view to larger-scale production – moving ideas from theory to practice. The contemporary reality is vastly more complex and is characterised by interdependent science and engineering research and development processes. These processes combine with new technologies to drive collaboration and innovation in areas as varied as construction and manufacturing, renewable energies, the prevention, diagnosis and treatment of human disease, effective counter-terrorism technologies, cyber-security, food security, communications technologies, biodiversity, transport infrastructure planning, forest management and water resources policy.

Infrastructure building and maintenance will be crucial to economic growth in the post-COVID-19 era. There is widespread disruption - to government funding priorities, to policy at the state and federal levels, to technology and stakeholder expectations because of the pandemic. For Australia to emerge from the crisis, engineering capability must be central to rebuilding the economy. Engineers are the lifeblood of new industries and a prime source of competitive advantage for established industries like agriculture and high-value manufacturing. These are among the areas that will generate jobs and increase productivity.

The ongoing design and delivery of critical infrastructure and major nation-building projects in the areas of transport infrastructure, energy, recycling, agriculture, water, the environment and manufacturing will be fundamental to driving economic recovery. Infrastructure investment means

less congestion and improved safety on our roads, better connections between agricultural and mining regions to ports, airports and other transport hubs, improved flood immunity and the construction of tunnels and bypasses and bridge upgrades. Infrastructure investment means an enhanced national rail freight network, more efficient national freight movement and upgrades to passenger networks.

Keeping engineering skills up to date will help ensure a well-trained and agile engineering workforce is available as we work through the stages of the pandemic and rebuild the economy.

Investment in skill development at the workforce and workplace levels are vital to building and maintaining engineering capability and driving economic growth over the medium to longer-term, as well as the creation of chief engineer positions in each state.

Budget priorities

On areas of investment

Construction and infrastructure projects will be a critical driver of productivity. A comprehensive analysis of specific construction and infrastructure priorities for the Budget is beyond the scope of this submission, but the following should be considered:

1. investment in civil infrastructure including road and rail projects.
2. ensuring the reduction of red tape in building residential, commercial and civil infrastructure is not at the expense of community safety or compromised building standards with sign-off by registered engineers as required.
3. optimal use of taxpayer dollars and minimisation of waste in engineering and construction projects.
4. support for partnerships between the private and public sectors to invest in specific infrastructure projects – rebuilding after bushfires and floods.
5. support for producing value-added products via an advanced manufacturing industry.
6. investment in residential construction and the construction of social housing.
7. investment in digitally delivered infrastructure to increase transparency, improve collaboration and project management, raise safety standards, encourage skill acquisition and support optimal asset management.

On investment priorities for workforce development

1. support for a Chief Engineer in each state.
2. ensuring only qualified, professional engineers undertake engineering work. Engineering is complex and has significant public safety consequences yet too many non-engineers are working on projects that should be performed by qualified engineers.
3. best practice graduate programs and ongoing professional development. To build professional capacity and maintain currency in a fast-moving world, engineers should be supported and reimbursed for costs associated with registration and ongoing continuing professional development.
4. closing the gender pay gap and addressing the factors that cause women's under-representation in engineering given that women still comprise only 12% of the engineering workforce.
5. an engineering workforce plan to meet future industry needs. An engineering workforce plan should identify and predict project needs into the future and match this to engineering skills needs. By developing an engineering workforce plan and taking steps to enact the plan, businesses and governments will be in a better position to forecast and manage engineering capability as we emerge from the pandemic.
6. building in-house engineering capacity as a first order priority and if engineering work is to be outsourced, employers should consult with their engineering workforce to ensure internal capacity is maintained and the outcome is truly best value.

7. changing the focus in procurement policy. Government procurement policies put too much emphasis on the cheapest tenders and too little attention on local jobs, local supply chains, capital investment in Australia and the manufacturing value-add. This emphasis needs to change as part of our response to the pandemic.

Information and communications technology

The ICT industry will be one of Australia's most critical sources of employment growth over the next decade. The sector is a significant enabler of innovation and driver of productivity and economic growth across multiple industries and emerging areas. OECD, Productivity Commission and ABS studies estimate that 50 per cent of all Australian business productivity can be attributed to the application of ICT. To 2019, Australia's ICT workforce has continued its long-term pattern of growth, with the number of ICT positions rising to 723,334 in 2018¹, up from 663,100 in 2017, 640,846 in 2016 and 628,000 in 2015. This figure is forecast to grow to 792,000 professionals by 2024. The ICT industry contributes around 8 per cent of Australia's GDP - equivalent to that of the mining industry.

While the cautious business environment and hiring restraint arising from the pandemic could affect the future pipeline of skilled ICT workers, there is evidence that tech skills are in high demand and hiring intentions remain strong in many areas. Specialists across areas such as AI, machine learning, mobile app development, web development, advanced data analytics, cybersecurity and transitioning to the Cloud continue to be in high demand across Australia. As companies respond to an acceleration in remote working, the demand for IT skills is also likely to grow. The shift to online education and remote working will also see increasing demand for products and services delivered by the ICT industry.

Budget priorities

Professionals Australia calls for the upskilling of Australia's technology workforce and a plan to support digital adoption and transformation. While a comprehensive discussion of workforce development in the technology sector is beyond the scope of this submission, these are some areas for priority investment in the 2021-22 Budget.

The Budget should address the following issues:

- the lack of a clear plan for technology skills development in the emerging areas of cybersecurity, AI, machine learning and cloud computing will result in ongoing skills gaps due to the rapid pace of change in ICT.
- ensuring support for strong commencements and completions for undergraduate and post-graduate IT courses, sufficient subsidies and incentives to hire graduates from Australian IT courses, university IT courses that are aligned with industry needs and addressing the underpayment and exploitation of skilled migrants and IT workers hired under temporary visas.
- the fast pace of technological change in areas such as artificial intelligence and synthetic biology makes policy oversight of emerging technologies increasingly difficult. Issues such as the unethical use of IT are emerging. As such, investment in policy oversight and foresight in emerging areas should be a priority.
- AI bias and accompanying issues including job loss/displacement, the automation of tasks that may negatively impact early training of graduates, pressure to reduce staffing levels where AI is introduced and the impact on service quality where digital technologies are introduced also require policy oversight as a matter of priority.
- the growing digital divide. Government needs to invest in initiatives to help bridge the emerging digital divide to ensure access and capability to use digital technologies and the internet while ensuring privacy, resilience, and security of digital networks and devices;

¹ The report notes that this 9.1 per cent increase is higher than previous annual growth and the result should be treated with caution.

- a shrinking core ICT labour force – lack of permanent work and job security – with increasing use of labour hire and independent contractors, offshoring of IT functions and widespread sham contracting. Measures to strengthen secure work options for IT workers should be a key priority.
- widespread award non-compliance – widespread underpayments, non-payment for additional hours and on-call allowances, underpayments and wage theft in groups vulnerable to exploitation such as migrants and the abuse of the temporary visa system. Proper funding for the Fair Work Ombudsman to pursue these issues in the ICT workforce should be a priority.
- gender equity issues in IT - women continue to be significantly underrepresented in Australia's technology workforce with the overall share (29 per cent in 2019) of women in technology occupations remaining unchanged from the previous year. This is significantly lower compared to 44 per cent of female workers in professional industries and 47 percent of the total workforce. While the last Budget allocated funding to incentivise women to complete STEM cadetships and courses, women need to start **and stay** in tech. Discrimination and sexual harassment contribute to the high rate of attrition of women from the technology sector. Further investment in dealing with sexual harassment as a serious workplace health and safety issue and the implementation of the Respect@Work report should be budget priorities.
- a more strategic approach to technology adoption as a means of driving economic returns and economic development and a plan to support digital adoption and transformation requiring IT giants to pay appropriate tax.

Science

A strong investment in the science workforce as part of our economic reconstruction efforts would help to set our economy up for growth and job creation. Scientists and the expert advice they provide are part of the solution and the key to rebuilding the economy.

Budget priorities

Estimates suggest that the return on investment of funding basic research is between 20-60 per cent per year. In Australia, every \$1 invested into our National Health and Medical Research Council returns \$3.20 in health and economic benefits. For every dollar invested, Australian medical research returns \$3.90 in benefits to the population. Again, it is beyond the scope of this submission to outline the range of investment initiatives that could support research, but it is critical that Australia strengthens its research base rather than allowing it to contract because of the pandemic.

Professionals Australia sees the following as priorities in the Budget:

1. a commitment to increasing Australia's R&D investment to 3% of GDP by 2030 and to reversing the decline of government R&D funding.
2. strategic investment in emerging knowledge-based industries like biotechnology, communications technologies such as 5G, advanced manufacturing, cybersecurity, artificial intelligence, machine learning, cloud computing, quantum computing, and the application of technologies to areas such as environmental sustainability, recycling, space capability, agriculture, resources and health care will be vital to provide competitive advantage.
3. driving private research investment as well as strategic government investment in areas of competitive strength and national priority. Confidence needs to be rebuilt to encourage private sector investment in research and development (R&D) – which was already falling relative to the size of our economy before the pandemic.
4. stability of funding (policy and funding certainty) because it generates a focus on finding solutions to long-term issues rather than short-term outcomes.
5. investment in keeping scientists' skills up to date by committing to career-long learning and more modular forms of learning and re-skilling to ensure an agile and well-trained workforce is available to lead us through economic recovery.

6. investment in public health capacity and capability across the public sector at both federal and state levels as an imperative in the longer-term as well as the short-term.
7. support for the effective translation of research discoveries into clinical trials.
8. investment in upgrading research infrastructure. Good infrastructure for research including laboratory space, equipment, libraries and computer facilities is essential for the performance of internationally competitive research and to attract talented individuals, is needed. Investment in upgrading infrastructure such as the Synchrotron should be a priority.

Invest in skills development across the STEM professions

It has been estimated that 75 per cent of the fastest growing occupations require STEM skills and knowledge.² Investing in our skills base and STEM capability will be a critical driver of job creation, innovation and economic growth.

The importance of specialised STEM skills in the workforce for sustaining economic growth cannot be overstated. The lack of up-to-date skills such as commercialisation and translation skills in science and R&D is as much a threat to economic growth and meeting the challenges emerging from the COVID-19 crisis as ineffective regulation or lack of access to financial resources. Equipping STEM professionals with the right mix of technical and enterprise skills to make them effective leaders, people-managers, communicators, entrepreneurs and decision-makers is vital.

We need to position our training system to provide continuing professional development as new fields of specialist expertise emerge and the skills STEM professionals were originally trained in when qualifying become outdated.

We need to keep STEM professionals' skills up to date by committing to career-long learning and investing in more modular forms of learning and re-skilling to ensure an agile and well-trained workforce.

Support gender equity and diversity across the STEM professions

The COVID-19 pandemic has renewed the ongoing discussion of diversity in STEM with concerns that the health crisis will further entrench or widen the under-representation of women and other groups in STEM fields. Diversity is crucial to the continued expansion and success of STEM and in turn, the capacity of STEM to drive productivity growth. The optimal approach to recovery from the pandemic will be to invest in initiatives which have the potential to contribute to business and economic growth while advancing women's progress.

The 2020 Federal Budget was criticised for not responding sufficiently to the impact of the pandemic on the female workforce, with much analysis suggesting the bulk of measures focused on male-dominated industries.

2020 Federal Budget announcements included \$240.4 million through the [Women's Economic Security Statement](#) including implementing the key findings from the AHRC report on sexual harassment. The Government included only limited additional support for childcare by extending targeted funding for childcare services in Victoria following the end of the national Transition Package arrangements on 27 September 2020.

The 26 November 2020 Workplace Gender Equality Agency scorecard showed:

² Australian Industry Group, *Lifting our Science, Technology, Engineering and Maths (STEM) Skills*. Downloaded at http://www.utas.edu.au/_data/assets/pdf_file/0005/368546/lifting_our_stem_skills_13.pdf, February 2019.

- a gender pay gap of 20.1 per cent overall and 22 per cent in the Professional Scientific and Technical Services Industry
- an ongoing crisis in the level of retirement income for women; and
- women still over-represented in industries in which part-time and casual roles predominate.

Persistent issues remain in terms of gender equity and these were heightened by the pandemic.

Budget priorities

The Budget should address the following issues:

1. Utilisation of the industrial relations system to progress gender equity.

The federal industrial relations system has historically provided an effective mechanism for progressing gender equity. The system has delivered access to working conditions such as flexible work arrangements, carer's leave, paid parental leave, access to employer-provided childcare and a range of other conditions that support progress towards equal opportunity and balancing work and life responsibilities.

Test cases run by the Australian Council of Trade Union (ACTU) on behalf of affiliate unions have resulted in significant progress for female workers in the Australian workforce including STEM professionals.

The industrial relations system should be utilised to:

- review the historical under-valuation of work in a range of female-dominated industries.
- support measures to enhance women's access to superannuation provisions to improve retirement savings over the longer term.
- enhance paid parental leave provisions ensuring men can take time off work to care for a newborn child as well as women.
- provide a right to family-friendly working hours.
- provide for superannuation for periods of parental leave
- provide for paid domestic violence leave.

2. Childcare

There is evidence that the lockdowns and the move to home schooling arising from the pandemic saw female caring time increase in absolute terms and relative to that of males and that is a factor in reducing their ability to participate in paid work.

Childcare in the pandemic recovery phase remains a critical determinant of the workforce participation of women and with that, their lifelong financial security. The extreme conditions of the COVID-19 crisis saw the government offer free childcare for a period of around three months, with this scheme ending on 12 July 2020.

Childcare that is affordable and accessible to all parents via direct subsidies to childcare centres and making more places available in the cities and in regional centres will support an increase in female workforce participation. A 4 per cent increase in the participation rate of women over the next decade would add \$25 billion dollars to the Australian economy.³

3. Access to educational opportunities

³ Grattan Institute (2012) Game-changers: Economic reform priorities for Australia. https://grattan.edu.au/wp-content/uploads/2014/04/Game_Changers_Web.pdf [accessed 18 April 2017]

To ensure women's equal participation in the workforce, it is critical that they continue to have equal access to opportunities for a university education as well as ongoing skill development and training, particularly in the priority employment areas of healthcare, science and technology, education and construction.

4. Insecure work

With women overrepresented in the casual and part-time workforce, it is particularly important that protections are maintained in the Fair Work Act and the National Employment Standards (refer to the Ensuring Fair Industrial Regulation section below).

5. Support for domestic violence measures.

The October 2020 Federal Budget included providing \$4.8 million to give continued effect to its ban on direct cross examinations and \$1.8 million to criminalise Family Court order breaches, plus funding to extend the Help is Here advertising campaign. The scale of investment was widely regarded as disappointing and we call for federal government support for domestic violence funding measures in the 2021-22 Budget that are proportionate with the scale of the problem in the community.

Commit to retirement savings for all Australians as legislated

Following the handing of the Retirement Income Review to Government in July 2020, there has been speculation that the Government may review the scheduled Superannuation Guarantee increases.

As part of its economic policy response to the COVID-19 pandemic, the Government allowed workers to withdraw up to \$10,000 from their superannuation accounts during the June quarter 2020 and to withdraw a further \$10,000 during the September quarter 2020. As a result, some \$36 billion has been paid out to superannuation fund members under the COVID 19 early release program – and this was on top of allowing first home buyers to access their super. In response to the pandemic, on average, Australians withdrew around \$7,495 - these withdrawals will have a major impact on the retirement incomes of those who took out money from their super accounts.

According to preliminary data, women have also eroded their superannuation balances more than men in response to the COVID-19 crisis, a factor that will seriously undermine their retirement nest egg in the years ahead. Initial research shows that women were withdrawing 21 per cent of their starting superannuation balances compared to 17 per cent of men and 14 per cent of women had emptied their total super savings compared with 12 per cent of men.

Increasing the Superannuation Guarantee levels as legislated must be a priority, including the increase from 9.5 per cent to 10 per cent in 2021 through to the legislated 12 per cent in 2025. Action must also be taken to address the range of factors that contribute to women's lower retirement savings.

Workplace mental health

COVID-19 has revealed the vital importance of our health system and the deep deficiencies in our mental health sector – particularly in the capacity of employers to de-risk and manage workplace mental health hazards in a changing workplace environment. The Government should take a lead role through Safe Work Australia in driving awareness of the need for investment in workplace mental health through the 2021-22 Budget.

The Budget should invest in campaigns and programs that raise awareness about workplace mental health and the action that can be taken at a workplace level to reduce the risks. Employers need more information in terms of understanding their obligations in relation to workplace mental health and workers need more information and support in terms of their rights

Ensure fair industrial regulation

Australian workers have made incredible sacrifices during the COVID-19 pandemic. Millions of workers were left unemployed as large parts of the economy were shut down, and millions more were required to access their superannuation early to make ends meet, with severe consequences for their retirement savings.

Workers who were fortunate to keep their jobs were forced to rapidly rise to the challenges of social distancing, personal protective clothing and hygiene requirements coupled with ongoing rounds of restrictions on their businesses and uncertainty over their future employment. Australia's success in managing the pandemic while keeping the economy functioning and the community safe is in large part a credit to the hard work, adaptability and resilience of Australia's workers.

The Government's proposed post-pandemic industrial regulation should not be an excuse to wind back workers' rights and entitlements in the name of economic necessity. It is deeply unfair to propose changes that will negatively impact workers and further undermine the economic recovery.

Professionals Australia will be making a separate submission to the Senate Inquiry detailing our objections to the proposed changes outlined in the Fair Work Amendment (Supporting Australia's Economic Recovery) Bill 2020.

Attracting STEM skills to the Australian Public Service

For Australia to have a strong federal public service capable of delivering expert advice and capability to government, and the services which our community expects, the Australian Public Service must employ people with the right expertise in secure, rewarding jobs.

The Australian Public Service needs to maintain its existing workforce, and attract new technical talent, to be able to research, develop, scope, oversight and deliver the growing pipeline of nation building projects. This can't be done while the Australian Public Service is constrained by a blunt staffing cap. The Senate Legal and Constitutional Affairs Reference Committee noted early in 2020 that the ASL cap has led agencies to use more contract labour, which costs the tax-payer more in the long run.

Each time work is contracted out rather than being conducted in house, the government makes an investment into a resource that is lost at the end of the contract. A new model is needed.

Rebuilding commonwealth owned, sovereign capacity in science, technology, engineering and ICT will mean Australia will have access to and control over the essential skills, experience, intellectual property and resources to look after our national interests. Ensuring the Australian Public Service is a repository for these skills will help avoid costly delays to project delivery and budget blowouts.

A system to manage Australian Public Service workforce is required, but the right mechanism should define capability and desired output first, and the workforce should be built from there. The ASL cap should be abolished and replaced with a whole of services workforce plan which defines capability and desired output, in order to make smart decisions on when to contract out work vs retaining the work and the knowledge generated within government.

About us

Professionals Australia is comprised of several Divisions including the Association of Professional Engineers Australia, IT Professionals Australia and Professional Scientists Australia.



The Association of Professional Engineers Australia's members are employed across all sectors of the Australian economy. Engineers perform design, scoping and project management roles in a diverse range of industries throughout the private and public sectors including roads, rail, water, electricity, information technology, telecommunications, construction, mining, oil and gas exploration, defence, shipbuilding and manufacturing.



IT Professionals Australia represents ICT professionals across the full spectrum of industries and specialisations. Our members work in a wide variety of roles including ICT trainers, ICT sales, business and systems analysts, multimedia specialists, web developers, software and applications programmers, database and systems administration, ICT security, ICT support, test engineers, telecommunications and ICT management as employees, via labour hire agencies and as contractors and consultants.



Professional Scientists Australia represents several thousand professional scientists from a broad range of specialisations including health science, biomedical science, ecology, veterinary science, neuroscience, mental health, genetics and genomics, astronomy, biochemistry, mineral processing, environmental science, fertility science, defence research, synchrotron science, environmental science, immunology, water science and automotive design.

The Engineering, Science and IT Divisions of Professionals Australia have four key objectives:

- to ensure members' interests are well-represented and protected when government policies, outsourcing and offshoring, management decisions, new technologies or large-scale social or health crises lead to workplace change.
- to provide a strong voice for STEM professionals. This involves considering the kind of support, policies and practices at the enterprise and structural levels needed to create a sustainable and diverse STEM workforce capable of realising optimal levels of innovation and productivity.
- to play a leading role in encouraging dialogue between industry, government and the higher education sector. This means advocating for investment and structural reforms, building the platforms for cooperation and change and initiating and leading projects to foster collaboration that will have a positive impact on our members' operating environments; and

- to promote public understanding of STEM and the key role STEM professionals play in ensuring Australia's future. This involves influencing public policy and resource allocation decisions and promoting the value of science to decision-makers and the wider community. We seek to highlight the critical role STEM plays in enabling productivity and innovation, promoting economic prosperity, protecting the environment, building and maintaining the nation's transport and IT infrastructure, improving human welfare and quality of life, preventing, diagnosing and treating human disease, enabling digital innovation and protecting national security. In doing so, we raise the status of the STEM professions and the professionals who work in STEM fields.

Professionals Australia is a not-for profit organisation and is owned by its members.

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