

CCHQ 2022

STRONG ECONOMY. STRONGER FUTURE.

16 May 2022

Mr Chris Lehmann
National Advocacy Adviser
Master Electricians Industry Association
Email: clehmann@mea.asn.au

Dear Mr Lehmann,

Thank you for the opportunity to provide the views of the Coalition on important issues facing your members. A response to your questions is attached.

The last two years have been tough for our country.

Despite the setbacks, Australia's economic recovery is leading the world.

Unemployment is at 4%, the equal lowest in 48 years. And the recent Budget included the biggest turnaround in our finances in over 70 years.

There's much more to be done. To build a stronger future, our plan will:

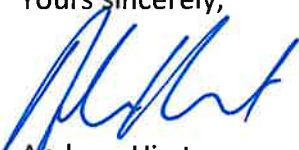
1. Deliver more jobs and working towards unemployment below 4%.
2. Deliver tax relief for workers and small businesses.
3. Invest in roads, rail, water infrastructure and renewable energy technology.
4. Make record investments in health and other essential services.
5. Invest in stronger defence, security and borders.

This election provides a clear choice, with real consequences for Australia.

The alternative at this election is Anthony Albanese and Labor. Labor would weaken our economy and put Australia's recovery at risk. Now is not the time to change course.

Thank you for communicating our response to your members.

Yours sincerely,



Andrew Hirst
Federal Director

MORRISON GOVERNMENT RESPONSE TO MASTER ELECTRICIANS AUSTRALIA

1. MEA (MEA) believes the Australian Building and Construction Commission should be retained in the interests of workplace productivity. Would you support this initiative if elected?

The Morrison Government will continue to back the Australian Building and Construction Commission (ABCC) to ensure union lawlessness does not undermine the fairness, efficiency or productivity of one of Australia's most important industries. The ABCC is the last line of defence between a vibrant building sector and the chaos and delays caused by a union-run Labor government.

The construction industry contributes around 9 per cent of GDP and employs more than 1.1 million Australians. It builds offices, apartments, roads, shopping centres, hospitals, universities, schools, airports and other vital infrastructure.

An independent report by EY shows that if Labor were to abolish the ABCC, it would cost the economy \$50 billion and around 4000 jobs, inflation would increase at a time when Australians can least afford it and state infrastructure pipelines would incur cost blowouts of \$10 billion, with taxpayers footing the bill.

The ABCC has a proven track record in enforcing the law and ensuring unlawful action is properly investigated, dealt with and penalised. Having a genuine industry watchdog in the ABCC helps the more than 400,000 small businesses in the building industry who rely on cooperative, productive workplaces and a system that is fair.

When Labor abolished the ABCC last time, the average rate of industrial action in the construction industry was nearly five times the average of every other industry. Since the Coalition Government re-established the ABCC, the average rate of industrial disputes in the construction industry has dropped by nearly 60 per cent.

At a time when the economy is recovering, Australians cannot afford to take the cop off the beat in the construction industry. Anthony Albanese's promise to abolish the ABCC will affect all Australians, undermining economic opportunities and driving up the costs of vital infrastructure like schools, hospitals and roads.

2. MEA supports the creation of a national trades licensing authority to expedite Automatic Mutual Recognition of licenses. Would you support this initiative if elected?

The Morrison Government, working with state and territory governments, has made it easier for registered and licensed workers, including electricians, to work across state and territory borders. The Automatic Mutual Recognition of Occupational Registrations scheme, also known as Job Pass, came into effect from 1 July 2021 and removes the need for people to apply and pay for an additional registration or licence when working in another state or territory, saving them time and money.

Around 168,000 registered and licensed workers can now work across state and territory borders - saving each worker at least one and half hours of time to get a separate licence in another jurisdiction. Job Pass will lead to an additional \$2.4 billion of economic activity over ten years.

By 1 July 2022 all states, except Queensland, will be participating in Job Pass with safeguards in place that build on existing standards of consumer and environmental protection, animal welfare and the health and safety of individuals and the public.

3. MEA supports the creation of a nationally consistent security-of-payments system, as envisaged by the Murray Review. Would you support this initiative if elected?

Since 1 September 2018, mandatory reporting obligations have applied under the Code for the Tendering and Performance of Building Work requiring all disputed and delayed payments to subcontractors to be reported to the ABCC as soon as practicable after the date on which the payment falls due.

This has resulted in a number of complaints and reports requiring the ABCC's intervention. In the 2020–21 reporting period, the ABCC received 365 security of payment cases (enquiries, reports and complaints) and 2,414 individual claims of delayed or disputed payments.

The ABCC undertakes both proactive and reactive audits relating to security of payment. The ABCC audits all complaints of non-payment that fall within the ABCC's jurisdiction and undertakes proactive audits of contractors that have tendered for Commonwealth-funded building work under the Code.

4. MEA calls on the Australian Government to support the electrotechnology industry to have its own Industry Skills Cluster, recognizing its unique reach across all facets of the economy and not just the building and construction sectors. Would you support this initiative if elected?

Commonwealth and State Skills Ministers agreed in October 2021 that the number and composition of the Industry Clusters should best be decided by industry themselves. A two stage grants process is currently underway, providing industry with the flexibility to determine the groupings that would best meet the skills needs of their sectors. All aspects of the energy and renewables sector were invited to apply to establish their own cluster should they choose to do so. Stage 1 of the grant round closed on 31 March 2022 and is currently being assessed by the Commonwealth Department of Education, Skills and Employment.

5. MEA supports the retention of the successful Boosting Apprenticeship Commencements (BAC) scheme in some form, to address skills shortages and to increase the rate of commencements. Would you support this initiative if elected?

The Morrison Government has extended the successful Boosting Apprenticeship Commencements (BAC) scheme as well as the Completing Apprenticeship Commencements wage subsidy, which provides BAC recipients with a 10 per cent wage subsidy in the second year and 5 per cent in the third year, to 30 June 2022. This is intended to ensure the continuation of the record levels of in-training trades apprenticeships and create a robust pipeline of skilled workers to support the COVID economic recovery.

The Morrison Government will then invest a further \$2.4 billion from 1 July 2022 to upskill apprentices through the new Australian Apprenticeships Incentive System that will provide support to employers and apprentices in areas of skills need. Employers will be eligible for 10 per cent wage subsidies in the first two years of hiring a new apprentice and a further 5 per cent in the third year, while apprentices will be eligible for up to \$5,000 in support payments.

This new apprenticeship scheme will greatly benefit those occupations that are identified as having current and future skills shortages as part of the Skills Priority List, including many occupations in the Electrical Services sector. As part of this measure, eligible apprentices will be able to access the expanded Australian Apprenticeship Support Loans scheme to help with everyday costs of up to \$21,542 over the life of the apprenticeship. There is also an additional \$2.8 million to increase In-Training Support by an additional 2,500 places for young Australians.

6. MEA advocates revising electrical tariffs and regulation to make the best use of domestic solar power installations through initiatives such as time of use tariffs. We also call for the Government to shift its small-scale incentives from renewable energy into bi-directional electric vehicles to encourage uptake, and to prioritise bi-directional electric vehicles in fleet purchasing. Would you support this initiative if elected?

The Post 2025 Market design work, progressed through National Cabinet by the Government, is delivering a range of reforms designed to improve the flexibility of the network and better integrate distributed energy resources, including rooftop solar, domestic batteries and electric vehicles. This includes work on technical grid integration issues, and work led by the AEMC on tariff structures.

Through the Morrison Government's \$2.1 billion support for future fuels and electric vehicles, the Government is leading work on electricity market reforms to ensure that the lights stay on and bills remain affordable for all Australians as electric vehicle uptake increases.

This will help to avoid the estimated \$224 million in electricity network upgrades needed by 2030, which would otherwise be costs passed on to consumers.

The Government is working on a package of priority market reforms to bring to state and territory energy ministers this year, to ensure the electricity grid is EV-ready.

This list of reforms will grow as new issues emerge, but will initially include work on exploring network tariff reform to identify additional opportunities to encourage charging behaviour and an infrastructure rollout that will support optimal grid operation, such as incentives for smart chargers in households.

As laid out in the Future Fuels and Vehicles Strategy, the Government intends for energy market bodies to be tasked by energy ministers to help with grid integration and strengthening market assessments.

These priority reforms will complement the work on the Energy Security Board's Distributed Energy Resources (DER) implementation plan to safely and efficiently integrate DER, including electric vehicles.

This work considers reforms such as smart charging standards, interoperability standards, and flexible trader models as part of an increasingly two-sided market. These reforms will support optimal grid operation and stability to minimise costs and benefit all electricity consumers.

In addition to this reform work, the Australian Renewable Energy Agency is currently supporting trials of emerging technology such as bidirectional chargers.

These trials will explore the potential for battery electric vehicles to serve as distributed energy resources that can provide benefits for business and households and can also contribute to grid security and reliability.

7. MEA calls on the Federal Government to review the “Power of Choice” reforms regarding electrical metering to reduce waiting times and costs for consumers, including allowing suitably qualified electrical contractors to become authorised service providers, cutting out red tape and cost. Would you support this initiative if elected?

The Government has always embraced necessary reforms to deliver more affordable, reliable power for consumers while ensuring the ongoing safety and integrity of the electricity market.

8. MEA endorses the CSIRO “State of Play” report into establishing a domestic battery manufacturing industry and supply chain, as well as a Green Steel industry in Australia. Would you support this initiative if elected?

The Modern Manufacturing Strategy expands and modernises Australia’s sovereign manufacturing capability, secures supply chains and invests in the skills and world-class research needed by manufacturing businesses.

The Modern Manufacturing Strategy focuses on areas where Australia has a strong competitive advantage. That’s why we have identified Critical Minerals Processing and Clean Energy as two of our six National Manufacturing Priorities.

We are already helping to grow these industries and locking in their future by backing manufacturing projects right across Australia. This includes a \$119 million investment for Pure Battery Technologies, Poseidon Nickel and a significant number of local and global industry partners to build an integrated nickel and cobalt battery material ecosystem in Western Australia. This \$400m project is an example of integrating Australian manufacturing and ingenuity into global battery supply chains and seizing new value-added opportunities.

The Government is committed to supporting manufacturers to commercialising battery products and collaborating across the supply chain. It will complement initiatives such as the Future Battery Industries Cooperative Research Centre to help bring world-leading products to market.

Only the Coalition has a strong plan to continue to grow Australia’s manufacturing sector so that they can be competitive, create jobs and strengthen Australia’s economy for a stronger future.