



ACCI POLICY STATEMENT

EMPLOYMENT POLICY

PRINCIPLES OF EMPLOYMENT POLICY

All Australians have a shared responsibility in developing Australia's employment system. Like other stakeholders, employers can play an important role in shaping this system. While it is not the role of enterprises to employ people at the expense of the capacity of business to compete in the marketplace, employers can help expand employment opportunities for all Australians and particularly for young people.

ACCI supports an employment system that enables all Australians to be competitive in the employment market. This means providing people with marketable skills and developing a training system that keeps pace with the skill needs of business. Government policies must foster a commitment to work and life-long learning.

Any employment system must be reliant on an economic framework that promotes per capita growth and it must operate within a labour market that meets the needs of employers. This is critical in meeting two key employment policy requirements:

- business being able to offer more jobs; and
- the unemployed having the required skills to take employment opportunities as they arise.

POLICY OBJECTIVES

ACCI advocates the following employment policy objectives:

Strong Rates of Economic Growth

This involves:

- containing public sector spending;
- avoiding deficit financing to stimulate growth; and
- continuous assessment of the impact of interest rate and monetary aggregate adjustments on growth and employment.

Introducing Wider Microeconomic Reform

Including:

- structural changes to improve the adjustment capabilities of the economy, which enables labour to move more easily between contractions and expansions; and
- reforms to competition laws, the financial system, industry policy and the industrial relations system to enable resources to flow as quickly as possible to where they are best employed.

Stimulating Productivity Growth While Containing the Cost of Labour

This involves:

- raising productivity and ensuring growth in the cost of labour does not exceed productivity growth;
- allowing relative wages to adjust to reflect labour market needs; and
- restraining minimum wages to minimise the number of people who are locked out of the labour market.

Amending the Taxation and Social Security System so that it Does Not Discourage Work

This includes:

- a system that encourages people to work when job opportunities become available;
- eliminating poverty traps; and
- embracing the approach of mutual obligation.

Continuously Developing Labour Force Skills and Knowledge

Including:

- expanding education, training and employment pathways;
- improving education and training as a demand-driven system based on needs which are specifically aligned to industry;
- enhancing schools-industry initiatives;
- promoting awareness of the labour market and the world of work, particularly to young people;
- reducing the points of regulation in the States and Territories;
- implementing mutual recognition of nationally recognised qualifications and training providers;
- focussing on nationally endorsed training packages which comprise competency standards, assessment and qualifications linked to a national framework; and
- targeting areas where skills shortages prevail.

Designing Labour Market Programs to Meet Individual Needs

This must focus on:

- using active labour market policies such as job creation initiatives, job placement schemes, employer incentives and training programs as support for macro level reforms which lead to improved growth and a more efficient economy; and
- using direct and simple labour market policies such as wage subsidies for employers.

Increasing Cooperation Between Federal and State Agencies

This involves:

- eliminating duplication of effort within and across regions, States and nationally, particularly in relation to consultative arrangements;
- minimising bureaucratic intervention and reducing the pressure on employer resources;
- removing inconsistencies in employment policy between States and Territories; and
- developing proactive coordinated mechanisms with the involvement of employer organisations and employers to address the issues relating to Federal and State government programs and seminars impacting on business.

THE POLICY FRAMEWORK

An adaptable and dynamic employment system provides business with a competitive edge to compete in the global economy. ACCI plays an active part in the development, monitoring and evaluation of labour market policies and programs. This is in recognition that the growing support for the development of an employment system, which enables business to draw on workers in emerging labour markets and meet new industry needs, is pivotal to the achievement of short and long term economic goals of Australia. This requires the removal of as many unnecessary constraints as possible to enable industry to respond quickly and flexibly.

ACCI supports an increased and ongoing partnership between industry, government and the community. For this purpose, a range of forums and consultative committees have been established which enable industry and government to work together in reforming the employment system to better meet the needs of industry.

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