



2022 ELECTION

Policy Analysis and Impacts

17 May 2022

*What 2022
Federal Election
promises could
mean for NECA
Members.*

Overview

NECA is integral to future generations of electrical contractors.

On behalf of its members NECA is monitoring the 2022 Federal Election announcements in alignment with NECA's Election Platform.

This document provides a high level overview of election commitments made by major political parties in comparison to national policy priorities identified by NECA, including:

- Support SMEs – Retain the ABCC
- Support SMEs – Abolish unfair contract terms
- Unlock infrastructure projects
- Unlock renewable energy projects
- Introduce taxation reform
- Energise the future.

There are a few priority areas that neither party committed to throughout the campaign to date, yet these are critical to the sustainability and future prosperity of the building and construction sector, such as:

- National Security of Payments reform
- Electrical safety initiatives
- National taxation system reform.

This document is intended to provide a high level update only. For clarification or for further information please contact NECA Victoria on 1300 300 031 or via email at advocacy.vic@neca.asn.au.

NECA Policy Position: Support SMEs – Retain the ABCC

Retain the ABCC: Remain committed to the ABCC and its functions to deliver critical transparency, probity, and business confidence in the industry.

Liberal announcements	Labor announcements
<p>The Coalition has announced that if re-elected in addition to retaining the ABCC, it will double maximum penalties for offences in the building and construction industry including unlawful picketing, unlawful industrial action and coercion.</p>	<p>Labor wants to abolish the ABCC citing the watchdog “relentlessly pursues union officials over minor infractions while doing little to stamp out wage theft or sham contracting in the construction industry or to address worksite safety and deaths”.</p>

Impact on Members

Abolishing the ABCC would result in a significant lack of protection, fairness, lawful activity, workplace relations laws, transparency, probity and business confidence in the building and construction industry. NECA members would be significantly disadvantaged, namely:

- there would be no more support by ABCC for subcontractors who are owed money, and where Security of Payment laws have not been complied with
- investigations and audits in regard to alleged contraventions of the Acts relevant to the building and construction industry would cease
- proceedings for contravening Acts in relation to wages and entitlements, coercion, industrial action, discrimination and the like would no longer be instituted.
- members would no longer receive education and advice through industry updates and responses to enquiries for assistance.

NECA Policy Position: Support SMEs – Abolish unfair contract terms

Abolish unfair contract terms: Enhance protection against unfair contracts and ensure a level playing field.

Liberal announcements	Labor announcements
<p>Legislate to strengthen protections for consumers and small businesses against unfair contract terms and capture more small businesses.</p>	<p>Make unfair contract terms illegal so small businesses can negotiate fairer agreements with large partners.</p>

Impact on Members

To effectively enhance protection against unfair contracts and ensure a level playing field for small businesses and consumers, NECA wants to see unfair contracts made illegal, prevention of amendments of Standards Australia Standard form Contracts under license to third parties, and prevention of subcontracts unfairly shifting project risk from principal contractor to subcontractors.

NECA Policy Position: Unlock infrastructure projects

Enable nation building infrastructure: Fast-track ‘shovel-ready’ projects, ensure these are resourced and delivered on-time, and future-proof infrastructure for a modern Australia.

Liberal announcements	Labor announcements
<ul style="list-style-type: none"> • \$120 billion 10-year infrastructure investment pipeline. • \$7.1 billion in regional transformative infrastructure projects. • Continue to ensure affordable, reliable energy for our manufacturers, including through our National Gas Infrastructure Plan. 	<ul style="list-style-type: none"> • \$250 million towards expanding the Local Roads and Community Infrastructure program to support projects and upgrade roads in every part of Australia. • Focus on nation-building infrastructure using the Infrastructure Australia model.

Impact on Members

A significant infrastructure and renewable projects investment pipeline will boost employment in the building and construction sector and lift productivity and investment across Australia.

Clarity around future infrastructure investment initiatives allows NECA members to ensure readiness in terms of labor and material requirements, and support business growth, employment and economic recovery.

The Infrastructure Investment Program is part of the government’s strategy to invest a record \$120 billion in new and existing infrastructure projects in every state and territory through a rolling 10-year infrastructure pipeline. This includes investments in major road and rail projects, Roads of Strategic Importance (ROSI) infrastructure, and local roads and community infrastructure works, enabling local councils to deliver priority projects to quickly stimulate local economies.

NECA Policy Position: Unlock renewable energy projects

Encourage new ways to achieve energy efficiency: Encourage innovative strategies and technologies to support pathways to existing and emerging industries, such as renewables.

Liberal announcements	Labor announcements
<ul style="list-style-type: none"> • Investments in clean hydrogen, carbon capture and storage, batteries, large-scale solar and energy efficiency: • \$22 billion in renewables and low-emissions energy technology to power our economy under the Technology Investment Roadmap. • \$7.1 billion for key regions across Australia as part of the Energy Security and Regional Development Plan to transform them into 	<p>Powering Australia Plan:</p> <ul style="list-style-type: none"> • Upgrade the electricity grid to fix energy transmission and lower power prices. • National Electric Vehicle Strategy – cheaper EVs. • \$3 billion from the National Reconstruction Fund to invest in green

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<p>next generation export hubs.</p> <ul style="list-style-type: none">• Support mining investment and jobs in new resources and energy projects through stable tax settings.• Long Term Emissions Reduction Plan for net zero emissions by 2050 - incentivising the resources sector to adopt new technologies that reduce emissions and increase energy productivity, including Carbon Capture and Storage (CCS) and renewable energy.• Two additional Carbon Capture and Storage Hubs in Western Australia to assist the resources industry in its efforts to reduce emissions (\$40 million towards pre-Final Investment Decision activities as part of Woodside Energy’s Burrup Hub and \$20 million to Mitsui’s Mid-West CCS Hub).	<p>metals; clean energy component manufacturing; hydrogen electrolyzers and fuel switching; agricultural methane and waste reduction.</p> <ul style="list-style-type: none">• Powering the Regions Fund: improve energy efficiency within existing industries and develop new industries in Regional Australia.• Roll out 85 solar banks around Australia.• Install 400 community batteries across the country.• Reduce Australian Public Service’s emissions to net zero by 2030.• Invest in 10,000 New Energy Apprentices and a New Energy Skills Program.• Establish a real-world vehicle fuel testing program to inform consumer choice.• Work with large businesses to provide greater transparency on their climate related risks and opportunities.• Re-establish leadership by restoring the role of the Climate Change Authority, while keeping decision-making and accountability with Government and introducing new annual Parliamentary reporting by the Minister.
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Impact on Members

NECA welcomes new strategies and emerging technologies to support the pathway to existing and emerging industries, such as renewables, and the need for contemporary training and skills development.

Labor is committing \$100 million to support 10,000 new energy apprentices and a new energy skills program. Apprentices who choose to train in the new energy industries will receive up to \$10,000 (\$2,000 on commencement, and \$2,000 a year for up to four years afterwards, including on successful completion).

This is intended to help increase apprentice intake, boost retention and improve completions.

Examples of eligible industries include rooftop solar installation and maintenance, large-scale renewable projects, energy efficiency upgrades to homes and businesses, green hydrogen, renewable manufacturing, and relevant agricultural activities.

Labor’s proposed \$10 million New Energy Skills Program builds on existing work by the TAFE sector to develop skills and build workforce capability. As part of the Program, Labor proposes to also develop a mentoring program in which experienced workers in new energy industries help train and support new apprentices.

NECA Policy Position: Introduce taxation reform

Reform the taxation system, harmonise reporting regimes, reduce company tax.

Liberal announcements	Labor announcements
<ul style="list-style-type: none"> • No new taxes on Australian workers. • No new taxes on retirees. • No new taxes on superannuation. • No new taxes on small businesses. • No new taxes on housing. • No new taxes on emissions and electricity. • Deliver an additional \$100 billion in permanent tax relief over the next four years (for more than 13 million Australians). • Low- and middle-income earners up to \$1,500 from 1 July this year, which includes the one-off \$420 cost of living offset, and temporarily halving fuel excise. • Back small businesses with tax incentives to upskill and train their employees and go digital. • Drive more investment through the expanded instant asset write-off and loss-carry back measure. • Lower taxes to drive innovation through Australia's first Patent Box and our additional \$2 billion investment in the Research and Development Tax Incentive. • Continue to back small business by establishing the Skills and Training Boost and the Technology Investment Boost – \$1.6 billion in tax relief over the next four years. • Tax relief is being provided through two new 120 per cent bonus tax deductions for investments in external training and digital technologies. 	<ul style="list-style-type: none"> • Tax relief for more than 9 million Australians through the legislated tax cuts that benefit everyone with incomes above \$45,000. • Support cost of living relief for Australians through an increase in the low-and-middle income tax offset by \$420 this year.

Impact on Members

Commitments made by the Coalition particularly will help remove barriers and increase incentives NECA members to engage in economic activity, seize opportunities, and to be innovative.

A more comprehensive tax reform however is needed to deliver stronger, fairer, more efficient regulatory and tax systems. Government must replace or abolish inefficient taxes that impact on GDP and employment growth during national economic recovery and beyond.

NECA Policy Position: Energise the future

Apprentices mentoring, mature apprentice subsidies, greater female apprentice participation, establish new training facilities, boost completion rates and introduce a ‘Trades Passport’.

Liberal announcements	Labor announcements
<ul style="list-style-type: none"> • Additional \$3.7 billion to support 800,000 new training positions. • Extending the Boosting Apprenticeship Commencements Program to 30 June 2022, providing employers with a 50 per cent wage subsidy for taking on a new apprentice or trainee. • The Completing Apprenticeship Commencements program: 10 per cent wage subsidy in the second year and a 5 per cent wage subsidy in the third year. • \$2.4 billion from 1 July 2022 to upskill apprentices in a streamlined Australian Apprenticeships Incentive System. Employers will be eligible for 10 per cent wage subsidies in the first two years and a further 5 per cent in the third year. Apprentices will be eligible for up to \$5,000 in support payments. • Australian Apprenticeship Support Loans scheme of up to \$21,542 over the life of the apprenticeship. • Committing \$2.8 million to increase In-Training Support, with an extra 2,500 places. • \$91.6 million for the Apprenticeships Data Management System (ADMS). • \$2.8 billion in additional incentives to train the next generation of apprentices and trainees. • Help disadvantaged younger Australians into work: ReBoot program to build life and employment skills. • \$482 million to improve women’s economic security and build on record female participation in the workforce, including enhanced paid parental leave and incentives for women to take up non-traditional trade apprenticeships. • Back researchers, build tighter links 	<ul style="list-style-type: none"> • Ensure at least 70% of all public funding for vocational education goes to TAFE to strengthen our public education system. • Guarantee that one in 10 workers on federally-funded projects will be an apprentice, trainee or cadet, and will offer more university places. • Invest \$100 million to support 10,000 New Energy Apprenticeships - to train in the new energy jobs of the future and provide them the support they need to complete their training. • Invest \$10 million in a New Energy Skills Program to tailor skills training to meet the needs of new energy industries. • Establish Jobs and Skills Australia as an independent body to bring together the business community, states and territories, unions, education providers and regional organisations to match skills training with the evolving demands of industry and strengthen workforce planning. <p>Other education:</p> <ul style="list-style-type: none"> • Fee Free TAFE - 465,000 fee free TAFE places, including 45,000 new places, available to students studying for industries with skills shortages. • Ensure at least 70% of all public funding for vocational education goes to TAFE to strengthen our public education system. • Introduce a Startup Year to create up to 2,000 new firms to help students and recent graduates start a new business. • \$50 million to boost technology on campuses, creating world-leading TAFE training centres. • \$481.7 million to deliver up to 20,000 extra university places over 2022 and 2023.

<p>between universities and industry, and create new jobs with the \$2.2 billion University Research Commercialisation Action Plan.</p> <ul style="list-style-type: none"> • Expand the Defence Industry Pathways Program for school leavers to develop a nationwide pipeline of work-ready trainees. • Invest \$5 million to develop a technology skills passport 	<ul style="list-style-type: none"> • Prioritise the new funding for universities which are able to offer additional courses in national priority areas like clean energy, advanced manufacturing, health and education, or where there are skills shortages.
<p>Impact on Members</p> <p>NECA continues to advocate for investment in a competitive national training market, one that comprises and supports public and private RTOs, overseen by a national regulator.</p> <p>With new and emergent sectors such as opportunities brought on by renewables, it is important that an incoming government supports the significant growth of the electrical trade and ensure apprentices with relevant skills and expertise are ready for the future, and that existing workforces can upskill their employees to remain competitive.</p> <p>The proposed investments by the Coalition will see promise a more targeted approach to training investment including:</p> <ul style="list-style-type: none"> • 800,000 new training positions • support for employers and apprentices • in-training support • support for disadvantaged Australians • boost female participation in the workforce (through enhanced paid parental leave and incentives for women to take up non-traditional trade apprenticeships). 	

<p>Other policy announcements: Procurement</p>	
<p>Liberal announcements</p>	<p>Labor announcements</p>
<ul style="list-style-type: none"> • Reform the Commonwealth Procurement Rules by 1 July 2022 to give small and medium businesses a fairer opportunity to win Government contracts, ensuring major projects are disaggregated into smaller contract opportunities to allow greater access, and removing pre-contract insurance and liability requirements. • Consistent with Australia’s international undertakings, authorise the Department of Defence to build local sovereign capabilities by directly purchasing and tendering from small and medium 	<p>Buy Australian Plan</p> <ul style="list-style-type: none"> • Establish a Future Made in Australia Office, backed up by laws that will lock in key elements of Commonwealth Procurement Rules (CPRs). • Maximise opportunities for Australian businesses in major infrastructure projects. • Open the door to more government work for more small and medium businesses by decoding and simplifying procurement processes. • Establish a Secure Australian Jobs Code to

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<p>businesses for procurements up to \$500,000 from 1 July 2022.</p> <ul style="list-style-type: none">• From 1 July 2022 extend our Supplier Pay on Time or Pay Interest Policy to all contracts, regardless of value.• Enable more Government procurement opportunities for small business.• Committed to small businesses getting paid on time through initiatives such as eInvoicing, procurement policies and the Payment Times Reporting Register.	<p>prioritise secure work in government contracts and ensure that government purchasing power is being used to support businesses that engage in fair, equitable, ethical and sustainable practices.</p> <ul style="list-style-type: none">• Provide more opportunities for First Nations businesses with a view to maximise skills transfer so that we can get more First Nations workers into long-term skilled work.• Level the playing field by bringing in a Fair Go Procurement Framework requiring those that gain government contracts to pay their fair share of tax.• Supporting industry sectors through the government’s purchasing power.• Use government spending power to take action on climate change and support energy projects.• Strengthen Defence industries and capability.• Make National Partnerships work to maximise the use of local workers and businesses.
<p>Impact on Members</p> <p>Although not originally identified as a NECA policy priority, the election commitments made on the topic of procurement will have significant impacts on local businesses, including small businesses.</p> <p>Local purchasing will boost the economic recovery and growth of communities, enable greater job creation and support training opportunities.</p>	

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