

National Electrical and Communications Association (NECA)

2022-23 Australian Government Pre-Budget Submission



NECA National



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About NECA

The National Electrical and Communications Association (NECA) is the peak body for Australia's electrical and communications sector, which employs 170,000 workers¹ and turns over more than \$23bn annually.² NECA represents almost 6,000 businesses performing works including the design, installation and maintenance of electrical and electronic equipment in the building, construction, mining, air conditioning, refrigeration, manufacturing, communications and renewables sectors.

NECA has advocated on behalf of the electrotechnology industry for over 100 years. It helps members (and the industry) operate businesses more effectively, and represents their interests to all levels of government, regulators, and within bodies such as the Australian Chamber of Commerce and Industry (ACCI) and Standards Australia.

NECA members make an essential economic contribution – connecting businesses, homes and infrastructure – encouraging investment, improving reliability and energy security, and delivering affordable, environmentally sustainable outcomes. The safety and reputation of the industry is critical to all tradespeople, consumers, and the community.

NECA is integral to the next generation of electrical contractors. Through its Registered Training Organisations (RTOs) and Group Training Organisations (GTOs), it offers employment and skills development to some 4,800 apprentices nationally. Its success is clear: proudly boasting 90% completion rates across its courses, with roughly one in three licensed electrical workers starting their career as a NECA apprentice.

NECA helps attract entrants to the industry through holistic, high-quality, industry-relevant programs including our scholarship program, the NECA Foundation, and the Women in Electrical Trades Roadmap. It proactively seeks diverse workforces, supporting female, indigenous and mature aged apprentices, and promoting career paths for school students and school leavers. It also operates the industry-wide NECA Annual Excellence Awards, which acknowledge and celebrate achievements and distinguished electrotechnology projects, and NECA's Apprentice Awards, recognising future industry leaders.

NECA continues to monitor and respond to the Coronavirus (COVID-19) crisis on behalf of its members and the electrotechnology sector, and is working with industry, government and the community to achieve a COVID-19 safe economy and swift national recovery.

¹ Australian Government 'Job Outlook'. (July 2020) (Telecommunications Trades Workers) <u>https://joboutlook.gov.au/Occupation?search=alpha&code=3424</u> and (Electricians) <u>https://joboutlook.gov.au/Occupation?search=alpha&code=3411</u>

² Ibis World 'Electrical services in Australia Industry Statistics (May 2020) <u>https://www.ibisworld.com/au/industry/electrical-services/325/</u>

Foreword

The building and construction sector is the second-biggest driver of Australia's economy,³ generating over \$360bn in revenue, or approximately 9% of gross domestic product (GDP)⁴. It also employs more than 1.2 million people⁵ in its constituent industries.

Electrotechnology is a key industry within the Australian economy, providing services to homes, offices, schools, hospitals, mining, agriculture, manufacturing: indeed, to all major sectors of the NSW economy.

The electrotechnology industry has, due to COVID-19, experienced job losses; supply chain issues; contractual, legal and industrial risks; lower productivity due to social distancing requirements; and uncertainty among consumers engaging electrical works.

NECA believes its evidence-based, industry driven recommendations will help Australia move forward, and urges the government to enact these in its 2022-23 budget. We appreciate the opportunity to participate in the budget process. To discuss our submission or our industry, I can be contacted on 0400 134 569 or at <u>oliver.judd@neca.asn.au</u>

Yours sincerely,

Oliver Judd Chief Executive Officer

³ Australian Building and Construction Commission <u>https://www.abcc.gov.au/about/who-we-are/overview#:~:text=The%20building%20and%20construction%20industry.vital%20to%20the%20Australian%20economy.</u>

⁴ Australian Industry and Skills Committee 2019 'Construction, Plumbing and Services – IRC Skills Forecast and Proposed Schedule of Works' <u>https://artibus.com.au/wp-content/uploads/2019/03/ConstructionPlumbingServices_SkillsForecast_2019.pdf</u>

⁵ Australian Building and Construction Commission <u>https://www.abcc.gov.au/about/who-we-are/overview#:~:text=Th</u> <u>e%20building%20and%20construction%20industry,vital%20to%20the%20Australian%20economy.</u>

1. Jumpstarting Small Business

Small business and family-owned enterprises (SMEs) are the lifeblood of Australia's economy, and dominate the electrical and communications contracting industry. Approximately 80% of businesses in our industry employ fewer than 20 staff, and national trends show the number of small businesses across the country is increasing. The COVID-19 crisis significantly impacted business activity, and NECA's SME members now cite labour shortages during the current Omicron wave (as COVID cases and/or their close contacts are forced to isolate) as an ongoing issue.

The federal government, in its efforts to restore Australia's economic position, must think and act locally: supporting local businesses, and connecting these with local projects to stimulate local economies, resilience and growth. It is critical that recovery efforts are led by SMEs working in their local areas to rebuild local economies.

1.1. SMEs to undertake Electrical Safety and Energy Efficiency Health Checks and Upgrades for homes and businesses

Ageing residential and commercial buildings present serious safety risks to property owners and renters, as existing electrical wiring and associated equipment may not comply with current standards under the Australian Building Code, or be degrading or deteriorating, requiring remedial action. In the residential housing context, electrical safety checks are encouraged but not enforced by state and territory governments.

NECA believes it is critical that occupants are as aware of wiring or electrical safety concerns as they would be of any other building defects or non-conformance.

In NECA's view, the government should incentivise households and businesses to engage local electrical and communication SMEs, supporting and connecting local tradespeople to local jobs, to stimulate and jumpstart local economies. NECA proposes a 'dollar-for-dollar' government grant scheme be made available during the 2022-23 financial year, including

- 'dollar-for-dollar' grants to households of up to \$3,000 for electrical safety and energy efficiency upgrades to homes; and
- 'dollar-for-dollar' grants to businesses of up to \$5,000 for electrical safety and energy efficiency upgrades to commercial property.

1.2. SMEs to undertake electrical safety and energy efficiency health check for local government buildings and assets

A similar initiative should be established whereby grants are available in a 'dollar-for-dollar' scheme for local government for electrical safety and energy efficiency checks and associated remediation/upgrades. This work should be awarded to local SMEs to ensure tradespeople are engaged in local work to boost their local economy. Types of work that may be considered include social housing, asset maintenance works, capital works programs, security upgrades, lighting upgrades, and small-scale solar.

Recommendations

To support and connect tradespeople to local jobs and support local economies, NECA calls on the federal government, in its 2022-23 budget, to:

- Introduce a 'dollar-for-dollar' grant for households of up to \$3,000 for electrical safety and energy efficiency upgrades to homes;
- Introduce a 'dollar-for-dollar' grant for businesses of up to \$5,000 for electrical safety and energy efficiency upgrades to commercial property;
- Introduce a 'dollar-for-dollar' grant for local governments for electrical safety and energy efficiency checks on regional assets using local tradespeople.

2. Unlocking Infrastructure and Supercharging Business

Infrastructure in Australian cities is under increasing strain, requiring significant investment to reduce congestion, improve liveability and lift productivity. Filling this rising infrastructure gap requires market-focused, evidence-based decision making, and the scale and capacity offered by medium to large business. It is critical that all levels of government identify, prioritise and commence 'shovel-ready' infrastructure and renewal opportunities.

Medium to large electrical and communications contracting businesses typically work on large building and construction projects delivering high returns on investment, and typically have larger workforces that provide employment opportunities for the next generation of tradespeople. Generally, large development projects run over longer periods of time, generating benefits across the Australian economy.

2.1. Medium and Large Business to drive Nation Building

While NECA commends state and federal governments for work they have done over the past year to release major infrastructure projects, more needs to be done.

NECA proposes all levels of government continue to unlock and fast-track medium to large renewal and infrastructure projects (and to ensure schedules for these are rigorously adhered to) to significantly boost building and construction sector employment, productivity and investment across Australia. This will require significant systemic reform of longstanding policy issues including tax reform, reducing red tape, removing institutional roadblocks (e.g. simplifying and streamlining planning), improving inter-governmental coordination, and increasing collaboration with financial institutions.

To achieve value for money, the government should seek to leverage private sector infrastructure investment. Where possible, the private sector should be engaged to finance, construct, operate and maintain these assets.

2.2. Encourage new ways to achieve energy efficiency

Several states and territories have introduced energy initiatives and programs that will support national economic recovery efforts. For instance, New South Wales has announced plans to deliver three Renewable Energy Zones (REZ). A REZ entails the coordinated development of new grid infrastructure in energy-rich areas to connect multiple generators (such as solar and wind farms) in the same location.

REZ capitalise on economies of scale, unlock new generation at lower cost, build on the *NSW Transmission Infrastructure Strategy*, and support implementation of the Australian Energy Market Operator's Integrated System Plan. REZ are expected to create a

significant pipeline of large renewable energy and storage projects, while supporting up to \$23bn of private investment in regional areas and up to 2,000 construction jobs annually⁶.

Australia has a leadership opportunity on energy efficient, environmentally sustainable practices, including renewable energy. It is critical that government support such initiatives.

Recommendations

To support medium to large contractors and retain capacity, NECA calls on the federal government, in its 2022-23 budget, to:

- Continue to unlock and fast-track a pipeline of major 'shovel-ready' infrastructure projects (and to ensure schedules for these are rigorously adhered to) for medium to large businesses to stimulate the economy e.g. government construction projects, large scale renewable energy generation, local government works across metropolitan, regional and remote Australia; and
- Support innovative strategies and emerging technologies to encourage new ways to achieve energy efficiency.

⁶ NSW Government Renewable Energy Zones FAQ <u>https://energy.nsw.gov.au/media/1946/download</u>

3. Taxation and Regulatory Reform

COVID-19 has exposed, and amplified, several longstanding systemic regulatory and taxation issues. NECA believes our outdated and inefficient regulatory and tax systems need urgent strategic, evidence-based, industry informed reform. A collaborative approach to these issues will help Australia achieve a swift, sustainable economic recovery.

In safeguarding against future challenges, the government must address inequitable conditions, excessive red tape, and ensure a more competitive, resilient and productive marketplace.

NECA calls on the government to initiate comprehensive reform to deliver stronger, fairer, more efficient regulatory and tax systems as outlined *below* and in later sections of its submission.

3.1. Reform the Australian Taxation System

Reforming the tax system will allow Australia to maximise opportunities for lifting long-term economic growth and strengthening the recovery from the COVID-19 crisis. Tax reform will require federal, state and territory governments to collaborate on, agree and implement structural tax changes that remove barriers and increase incentives for individuals and businesses to engage in economic activity, seize opportunities, and to innovative.

Comprehensive tax reform to support federal and state budgets, while addressing distributional impacts and promoting economic growth, will take time, effort and political courage, and all levels of government should commit to the challenge. Australian business needs a system that delivers incentives to make it globally competitive, stimulates investment in research and development, and supports it to become more efficient and productive. Following the COVID-19 downturn, this is the optimal time to address these systemic issues to ensure business can adapt to new global economic realities.

It is imperative the government replace or abolish inefficient taxes that will drag on GDP and employment growth during recovery and beyond.

NECA's proposals will also augment COVID-19 recovery efforts:

3.1.1 Harmonise reporting regimes including Business Activity Statements (BAS), Payas-you-go (PAYG), Fringe Benefits Tax (FBT), and Workplace Gender Equality Compliance (WGEA) to reduce red tape and administrative burdens, allowing business to focus on their businesses

Regulatory burdens and red tape are among the largest concerns NECA hears from its members. Compliance requirements for businesses have significantly increased in the last ten years, adding unnecessary additional pressure on business operations.

Uniformity of reporting times would be welcomed by businesses in the electrotechnology industry and beyond. Currently, multiple reporting dates apply across myriad government agencies, which increases red tape and compliance costs. NECA believes simplifying and aligning these times is crucial to cutting red tape and administrative costs. Alignment of reporting times for BAS/PAYG, FBT, WGEA, and other items is long overdue.

NECA therefore calls for harmonisation of these times, which should be reviewed and aligned to reduce administrative burdens and allow businesses to focus on operations, not government paperwork. This is particularly salient as they seek to recover from COVID-19.

3.1.2 Reduce Company Tax to 25%

NECA believes tax reduction is critical to assist the growth and competitiveness of the electrotechnology industry and the creation of new employment opportunities.

The 2014-15 federal budget reduced the company tax rate for SMEs by 1.5% to 28.5%, with a further reduction to 27.5% for SMEs with an aggregated turnover of less than \$10 million in 2016. This threshold was increased to \$25 million for 2017-18.

The Henry Tax Review, commissioned by the previous government, recommended further reductions to 25% in the short to medium term, subject to economic and fiscal conditions. The current government, through its *Treasury Laws Amendment (Enterprise Tax Plan)* 2016 Bill, outlined a commitment to progressively cut company tax to 25% by 2026-27.

Current and forecast economic circumstances provide a compelling case to reduce the company tax rate. This would help drive economic recovery and employment growth.

NECA strongly urges the government to commit to reducing company tax to 25%, as recommended by the Henry Review, and to fast-track the timetable for this reduction.

3.1.3 Introduce a national occupational licensing regime

NECA commends the government and National Cabinet on signing an inter-governmental agreement to automatically recognise electrical occupational licences across the country.

The ability of tradespeople to work freely across Australia is more important than ever as the economy recovers. This will harmonise costs and reduce red tape, and will allow businesspeople to work on their businesses at this important time.

In a COVID-safe economy, it is critical for business to mobilise workforces. Being able to deploy skills and trades anywhere in Australia will assist our industry to be competitive, agile and productive.

NECA supports ongoing measures, beyond recognition of workers' occupational licences, to ultimately create a national occupational licensing scheme for the electrotechnology

sector. However, its implementation must not dilute safety standards, technical expertise or adequate insurance requirements.

NECA supports mutual licensing recognition across Australia, and encourages all states and territories to continue discussions in order to facilitate these reforms.

In order to accomplish these reforms, it is imperative that industry stakeholders are able to resolve current issues and a budget allocation to address and prepare legislation across all jurisdictions occurs with an allocation of \$500,000.00 to undertake a comprehensive review and roadmap for mutual licensing recognition across state boundaries.

3.1.4 Introduce a national approach to Continuing Professional Development

Continuing Professional Development (CPD) is the process of tracking and documenting skills, knowledge and experience gained formally and informally by licensed electricians over and above initial training. It provides an improved level of achievement and comfort for practitioners, industry, regulators and consumers. Typically, one point of CPD equates to one hour of learning and development activity.

CPD has been successfully introduced for Tasmanian electricians, and it is likely other states and territories will follow suit, drawing on the Tasmanian precedent. Government, consumers and regulators believe CPD can assist businesses (particularly smaller entities) to document, maintain and refresh knowledge of skills, processes, new technologies, and regulations.

This will be particularly relevant for upskilling the industry stakeholders in the growing Solar and alternate Energy market growth.

NECA believes the electrotechnology industry may benefit from CPD implementation if:

- sound professional development and training opportunities are delivered;
- CPD programs are delivered by accredited, national and appropriate training organisations operating within specialised fields.
- such programs are recognised nationally;
- CPD programs remain basic and low-cost in their design;
- CPD does not become a burden on the wider industry, particularly SMEs;
- it provides a cost-effective way to improve technical and organisational knowledge through the provision of regulatory and legislative frameworks;
- implementation takes state/territory and local considerations into account; and
- the reputation of our industry in a complex, evolving regulatory framework is enhanced.

Where CPD has been implemented successfully, member-based industry associations are involved in the program management and/or delivery of course seminars, learning and training opportunities, and CPD is mandatory and overseen by a governing regulator.

We believe industry associations such as NECA are best placed to deliver independent, knowledge-based activities, having regard to legislative requirements affecting the sector.

NECA supports the implementation of CPD across all states and territories in a practical, cost-effective manner. CPD should be delivered at minimal or no cost to business, limited to some (but not all) licence holders, and take state, territory and local issues into account.

An initial grant program of \$100,000.00 per state would allow industry groups to prepare course structures and infrastructure to undertake such programs with a total national budget for such a program of approximately \$700,000.00. Another initial initiative may be a budget allocation for the provision of 2,000 CPD places to the electrotechnology industry, subsidising 50% of course fees per annum, which NECA estimates would cost the government \$1 million per annum nationally.

3.2. Extend Australian Government COVID-19 assistance

3.2.1 Moratorium on Liquidated Damages provisions during protected industrial disputes

NECA urges the federal government to introduce a moratorium on Liquidated Damages (LD) provisions within construction contracts to help prevent catastrophic ongoing damage to Australia's building and construction sector following COVID-19. On many large projects, risks associated with delay are borne by subcontractors entering into one-sided contracts, as they have little or no bargaining power to amend contractual terms.

Aside from being thus forced to carry risks from delays, subcontractors have little or no entitlement to extensions of time to manage them. This is unfair and unreasonable. Given current economic conditions, the position in which subcontractors find themselves is exacerbated by the fact they will be severely impeded in their ability to perform works prescribed by construction contracts. This may trigger LD claims, which would devastate the building and construction industry.

Importantly, NECA believes LD should not apply during protected industrial disputes to safeguard the viability of affected businesses, and seeks commitment from all levels of government across Australia to enact this change.

NECA urgently seeks the government's support for a moratorium on LD provisions within construction contracts, and for this to apply for at least the term of COVID-19 restrictions (whether imposed by the Commonwealth, states or territories). This should be the starting point for a broader body of work tackling the issue of unfair contracting, which allows

principal contractors to apply higher levels of LD provisions and extend them to multiple subcontractors on the same project.

Recommendations

NECA calls on the federal government, in the 2022-23 budget, to:

- Reform the Australian Taxation System:
- harmonise reporting regimes including Business Activity Statements (BAS), Pay-as-you-go (PAYG), Fringe Benefits Tax (FBT) and Workplace Gender Equality Compliance (WGEA) to reduce red tape and administrative burdens, allowing business to focus on their business;
- reduce company tax to 25%; and
- Review Australian Government COVID-19 relief, including
- introduce a moratorium on Liquidated Damages provisions;
- co-ordinate reform to ensure liquidated damages do not apply during protected industrial disputes;
- Allocate \$500,000.00 to undertake a comprehensive review and roadmap for mutual licensing recognition across state boundaries.

4. Energising the Future

NECA supports a competitive national training market comprising public and private RTOs overseen by one national regulator. NECA recognises the viability of Australia's Vocational Education and Training (VET) system is a shared responsibility which should be strongly influenced and informed by industry and supported by government. Our member feedback and experience within the VET sector suggests current standards and systems do not always lead to job-ready graduates with the skills required by industry. This must change.

COVID-19 (and its aftermath) are redefining the electrical and communications industry, compounding skills shortages. NECA asserts this offers an excellent opportunity to encourage young people into the industry, and to reskill prospective entrants from other affected vocations. With emerging technologies including batteries, solar infrastructure and electric vehicles, our trade will grow ever more central to daily life. It is critical the VET system attracts and prepares apprentices with relevant skills and expertise, and that existing workforces have opportunities to reskill to remain competitive in the labour market.

As a leader in the training of current and future electrical and communications contractors through our GTOs and RTOs across Australia, NECA believes that:

- quality education, skills and training initiatives are critical for the development of the electrical trade;
- Governments must ensure there are adequate opportunities, initiatives and funding to support a diverse workforce, and that the small business sector is incentivised as the major employer of the next generation of tradespeople;
- Government has a critical role to play in informing school students of potential career pathways and opportunities, especially for opportunities within the trades sector;
- initiatives are required to ensure a more gender and age diverse workforce;
- promote the benefits of a career pathway into the electrotechnology industry.

4.1. Apprentice wage subsidies and new incentives

An ongoing challenge is a shortage of skilled electrical and communications workers, shown in falling completion rates of electrical apprenticeships across Australia and the retirement of long term, highly skilled workers, resulting in the loss of suitably qualified electricians at both ends of the cycle.

This challenge is not unique to the electrotechnology sector: other traditional trades – such as carpentry, plumbing, and metalworking – equally face difficulty in attracting and retaining quality apprenticeship candidates in a climate where university education is

heavily promoted to school-aged students, and public discourse and media opinion "leadership" sharply prioritises university qualifications over manual trades.

4.1.1. Attract mature aged apprentices to the electrotechnology industry

The cost to hire a mature age apprentice is a challenge for all business. The cost difference over a four-year apprenticeship between a school leaver and a mature age worker is roughly \$40,000.

Consequently, NECA argues governments should consider subsidies as well as tax incentives for employers to hire apprentices, particularly mature aged and female apprentices, and for small contractors who form the backbone of the industry.

4.1.1.1. Major Recommendation: Mature Apprentice Subsidy Scheme

At a time of economic disruption – heightened by COVID-19 – that has seen many workers displaced from legacy industries and/or seek mid-career retraining opportunities, NECA recommends the government institute a **Mature Apprentice Subsidy Scheme (MASS)** to remove wage barriers for businesses wishing to engage mature-age apprentices in the electrical trades.

NECA would welcome the opportunity to partner with the federal government and other trade training providers to design a pilot a program to properly fund mature aged apprenticeships, addressing chronic skills shortages in the trades sector in the process.

We note the Western Australian government undertook a small-scale trial subsidy for up to 200 mature trade apprenticeships in the first half of July last year., and believe the federal government is best placed to implement a comprehensive national program to benefit **all** trades sectors across the country. NECA notes all available places in the WA trial were filled almost immediately, reflecting the demand for such a program more broadly.

Mature-age apprentices – particularly those with many years' work experience – offer great benefits as potential tradespeople that transcend manual skills and knowledge, such as maturity, life experience, industry and business experience, increased completion rates, higher qualifications, better appreciation of safety protocols, and often leadership.

Conversely, young people completing university studies who can't find related jobs or have rethought their careers and wish to switch to a trade are equally discriminated against, as anyone aged over 21 at commencement is treated as "mature-aged" for remuneration purposes by Modern Awards, and thus too costly for many employers to hire.

Broadly, the idea is for employers of mature-aged apprentices to be able to claim the difference, as a government rebate, between wage costs of a junior apprentice and those of a mature-aged apprentice, eliminating the disincentive to bring employees who are

older into the trades sector. While beneficial to employment, these advantages generally do not lead to a shorter apprenticeship due to specific trade skills acquisition requirements.

The benefit to contracting businesses across a raft of trades is that skills shortages can be met by quality candidates who are eager to work; benefits to government include providing real retraining options for people whose industries have been irretrievably damaged by disruption and their jobs lost, with the added advantage of providing further post-COVID industry stimulus that offers tangible value, economic benefits, and return on investment.

The cost differential between mature age apprenticeship costs to employers versus school leavers (under 21 years of age) for electrical apprentices is detailed in the table below:

Role	Non-Adult	Adult	% increase	Additional cost
	Rate/Hr	Rate/Hr	Difference	Per annum
Apprentice Yr1	\$14.50	\$20.85	44%	\$14,429.74
Apprentice Yr2	\$17.04	\$22.66	33%	\$12,770.89
Apprentice Yr3	\$18.31	\$22.66	24%	\$9,884.94
Apprentice Yr4	\$21.35	\$22.66	6%	\$2,976.84

To calculate annual costs, NECA has utilised a 38 hour week over 52 weeks and 15% loading, as the higher rates apply to superannuation and affect workers compensation. Adult apprentices are more expensive; consequently, they account for less than 5% of new employees. This contrasts with the fact prospective mature age apprentices constitute 50% of applications for available roles. The current disincentive to hire mature age candidates particularly disadvantages women, who are more likely to apply for an apprenticeship when over 21.

Our members acknowledge that adults are a more likely to be retained and deliver greater productivity, but a 44% productivity differential is not likely.

NECA recommends the federal government create 1000 subsidised adult apprenticeship places, subsidising the four years of these apprenticeships to address the cost difference compared to junior rates, and thus remove this employment barrier. This would entail a total overall budget outlay of \$40m over a four-year time frame. These subsidies could

readily be tracked through the PAYG system, furnishing the government with transparency around its investment, and ensuring participating employers are completely accountable for subsidy monies paid to them.

Should the government pursue this recommendation, NECA would be delighted to partner with relevant departments to put more detail on this high-level outline of its proposal.

4.2. Provide incentives for greater female apprentice participation

As previously discussed, adult apprentices are so much more expensive in the first and second years of training for employers and constitute less than 5% of NECA apprenticeship intakes and represent 50% of applicants. It particularly disadvantages women, who are more likely to apply for an apprenticeship when over 21. NECA believes the federal government should provide:

- Subsidies and incentives for female apprenticeships
- Subsidies to provide female-friendly work environments such as relevant policies, training and hygiene and sanitary facilities.
- Training for industry in sexual harassment, domestic violence
- Apprentice and trades people training to incorporate awareness of domestic violence laws.
- Incentivise adult apprenticeships for female participation due to most wishing to enter the industry above 21 years of age.

Recommendations

NECA calls on the federal government in the 2022-23 budget to:

- create 1000 subsidised adult apprenticeship positions in the electrotechnology sector subsidising the four years of apprenticeships to address the difference between adult and junior rates with a \$40.0m allocation in the federal budget over a two-year time frame.
- Mandate the inclusion of appropriate Workplace training to encourage higher participation levels by women in trades.
- Provide in addition to the 1000 subsidised adult apprenticeships a further 250 subsidised female adult apprenticeships in the electrotechnology sector, at an estimated cost over four years at a total cost of \$10m.

5. NECA's pre-Budget recommendations

Recommendations

NECA urgently calls on the federal government to make provision in the 2022-23 budget to 'power up' the economy with respect to the following:

- introduce a 'dollar-for-dollar' grant for households up to \$3,000 to undertake electrical safety and energy efficiency upgrades;
- introduce a 'dollar-for-dollar' grant for businesses up to \$5,000 to undertake electrical safety and energy efficiency upgrades to commercial property;
- Provide 250 subsidised female adult apprenticeships in the electrotechnology sector at an estimated cost of \$3.5m over two years at a total cost of \$7m.
- create 1000 subsidised adult apprenticeship in the electrotechnology sector, subsidising the first two years of apprenticeships to address the difference between adult and junior rates with a \$28m allocation in the federal budget over a two-year time frame.
- commit to a program of community capacity building within all Local Government Areas (LGA) to ensure local tradespeople are engaged to remediate, improve, and upgrade local buildings and assets;
- unlock and fast-track a pipeline of major 'shovel-ready' infrastructure projects (and ensure schedules for these are rigorously adhered to) for medium to large businesses to stimulate the economy e.g., government construction projects, large scale renewable energy generation, local government works across metropolitan, regional and remote Australia;
- support innovative strategies and emerging technologies to encourage new ways to achieve energy efficiency;
- Reform the Australian Taxation System:
- harmonise reporting times including BAS, PAYG, FBT and WGEA to reduce red tape and administration;
- reduce company tax to 25%;
- Reform the Australian Regulatory System:
- introduce a national occupational licensing regime;

- introduce a national approach to Continuing Professional Development;
- Extend Australian Government COVID-19 assistance:
- introduce a moratorium on Liquidated Damages provisions;
- co-ordinate reform to ensure liquidated damages do not apply during protected industrial disputes;
- introduce greater flexibility for the Extension of Time provisions.
- Extend COVID-19 apprentice wage subsidies and new incentives:
- attract mature aged apprentices to the electrotechnology industry;
- extend apprentice wage subsidies to large business.
- Mandate the inclusion of appropriate workplace training to encourage higher participation levels by women in trades.

