

FEBRUARY 2022

**LABOR'S PANDEMIC RECOVERY
JOBS AND INDUSTRY TASKFORCE**

FINAL REPORT

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Final Report

PARTICULARS

This final report for Labor's Pandemic Recovery Jobs and Industry Taskforce has been prepared and presented by the Taskforce executive.

TASKFORCE EXECUTIVE



Lisa Chesters MP
Chair



Milton Dick MP
Deputy Chair



Senator Nita Green
Secretary

INTRODUCTION

The biggest risk to the Australian economy, businesses and your job is wasting the recovery.

Two years into this global pandemic and the decisions of the Morrison Government are making things worse for hardworking Australians.

Scott Morrison's failure to deliver a national quarantine system; bungling of the vaccine rollout (including boosters) and to secure a national supply of rapid antigen tests, risks Australia's economic recovery and puts Australian jobs and small businesses at risk.

With the prospect of Australia not reaching an 80 per cent COVID booster vaccination rate until well into 2022, chaos over reopening at the same time that COVID is spreading rapidly, many Australians are feeling vulnerable about their immediate future.

The reality of "living with COVID" has created anxiety and smashed confidence as Australians have little faith Scott Morrison is capable of having a plan to help us all survive this pandemic.

Australians are tired, exhausted and desperate for national leadership. Australia's slow initial vaccine rollout is another example of how Australians continue to pay for Scott Morrison's failures. It was also a factor in the mass lockdowns experienced during 2021.

Labor argues that the economy would be in better shape if it wasn't weighed down with issues like the botched implementation of JobKeeper, rorts, scandals and the economic carnage generated by the Morrison Government.

The most important test of the Morrison Government's management of the pandemic and its aftermath, is what happens to jobs and the businesses which create them.

Labor's Pandemic Recovery Jobs and Industry Taskforce found that the Morrison Government failed this test.

The report demonstrates how the Morrison Government is on track to waste the recovery, and what could be done to seize the opportunity to build back a future made in Australia.

BACKGROUND

WHY THE TASKFORCE WAS FORMED

The COVID-19 pandemic has had a significant economic and social impact on Australia, with the economy descending into recession during 2020 for the first time in nearly 30 years.

More than one million people were stood down or sacked during the first few months of the pandemic.

The labour force figures for the month of September 2020 highlight the impact of the Government's failures on vaccines and quarantine. There were 111,000 fewer jobs and two per cent fewer hours worked during September 2020 than there were prior to the pandemic.

While official unemployment rates have decreased, underemployment rates are at historic highs. There are still 1.67 million Australians looking for work or for more work.

Job insecurity, which was a persistent problem prior to the pandemic, has been exacerbated in the pandemic's wake.

The COVID-19 pandemic also highlighted vulnerabilities in global supply chains and domestic manufacturing.

More Australians are at risk of being left out and left behind as a direct result of the Morrison Government's inaction and ineptitude.

In recognition of this, the Federal Parliamentary Labor Party Caucus decided to create Labor's Pandemic Recovery Jobs and Industry Taskforce in December 2020.

The Pandemic Recovery Jobs and Industry Taskforce was created on 1 December 2020 by the Federal Parliamentary Labor Party caucus, with the Member for Bendigo, Lisa Chesters MP, named as chair, the Member for Oxley, Milton Dick MP, named as deputy chair, and Senator Nita Green from Queensland named as the secretary.

All members of caucus were encouraged to attend meetings and activities of the Taskforce.

WHAT WE DID

The Taskforce heard from employees, employers, unions, industry bodies and experts about what is needed to best respond to the pandemic.

The Taskforce was asked to:

- **investigate** the impact of the COVID-19 pandemic and recession on Australian jobs, businesses, and industry;
- **critique** the Morrison Government's response (or lack thereof) for saving Australian jobs, businesses and industries and to create new ones. In particular, the consequences of the Government's retreat from social policy and its reliance on the market to distribute resources; and
- **recommend**, in consultation with key stakeholders, potential ways forward for our nation's recovery post the pandemic.

Labor's Pandemic Recovery Jobs and Industry Taskforce was launched on 8 February 2021 at Tropical Reef Shipyards in Cairns by the Leader of the Australian Labor Party, Anthony Albanese.

Through various mediums, the taskforce gathered real-life experiences from Australian workers, businesses owners and industry leaders hard hit by the pandemic and in need of a real recovery plan.

The Taskforce met with over 100 organisations and stakeholders between February and November 2021.

Whilst some of the roundtables and meetings took place in person, the majority were virtual due to border closures and travel restrictions.

The Taskforce also created a website for people to share their stories with the Taskforce. In total, almost 200 individual submissions were received.

FINDINGS AND RECOMMENDATIONS

The Taskforce met with over 100 organisations and received almost 200 submissions from groups and individuals, all of whom provided constructive and interesting information and feedback.

The findings that arose from these consultations and submissions are considered below.

FINDING ONE

FAILURE OF LEADERSHIP

The Morrison Government's complete incompetence to plan and manage the pandemic at every turn, has created unnecessary complications and barriers, plunging Australian workers and businesses into despair and smashing confidence.

Participants shared their alarm and frustrations at the Morrison Government's unwillingness to listen and act on industry concerns. They believed that if Scott Morrison had done so, some of the pandemic chaos may have been avoided.

For example, manufacturing and freight stakeholders raised concerns with the Taskforce from as early as August 2020, that without a whole of Government approach to Australia's freight network, Australian businesses and consumers would be hit with massive domestic supply disruptions.

Scott Morrison ignored these concerns. In January 2022, in the third year of this pandemic, we are still seeing empty supermarket shelves.

The Morrison Government's default practice of overpromising and underdelivering was and continues to hurt many sectors of our economy through our response and recovery.

A key complaint raised by several participants who spoke to the Taskforce was that Federal Government assistance for their sector only came after extensive publicity campaigns. Further, if assistance for their sector was finally announced, the reality rarely met expectations.

Organisations raised frustrations that pandemic specific Federal grants processes were messy and unnecessarily complicated. Many also raised concerns about unfair grant application criteria.

The pandemic has also exacerbated existing fault lines in the Australian economy. Several organisations that spoke with us strongly believed that the Morrison Government is incapable of leading the reform agenda required to meet this challenge.

Without a significant shift in how the government deals with the economic changes that are underway and the ongoing pandemic that's into its third year, Australia risks getting left behind. It will be Australian workers and businesses who will pay the price.

RECOMMENDATION

- 1. Establish an adhoc subcommittee of Cabinet to triage pandemic and recovery related matters that need urgent action.*

FINDING TWO

MANY AUSTRALIANS ARE NOT ADEQUATELY SKILLED TO FILL AVAILABLE JOBS

The skilled worker shortage in Australia has been a problem for decades. However, stakeholders told the Taskforce that the pandemic has exacerbated the problem.

Pre-pandemic, skilled workers from overseas on temporary visas filled the gaps that existed. The closure of international borders has exposed the full extent of Australia's skills gap.

Almost all of the organisations that the Taskforce met with raised concerns about skills. Worryingly, some argued that Australia does not have enough skilled workers to fill current job vacancies. In other words, there is a mismatch between unemployed Australians and available jobs.

Taskforce participants also highlighted the inadequacies in Australia's current trade and training sector. They argued the sector is unable to provide adequate and up-to-date training for the jobs available in their industry.

Labor's recent free TAFE announcement will help address some of the concerns raised with the Taskforce.

It was hard to find an industry that is not calling for more accessible and free TAFE courses.

One specific issue that was raised is that workers with a university degree or a diploma are unable to access a subsidised TAFE place to retrain for a career change or new job. The cost of full-fee training is a barrier to attracting workers willing to retrain to work in their sector. This was a particular concern for the care sector (aged care, disability and childcare).

Some organisations raised concerns that there was no formal qualifications or TAFE course for some of the roles and skills required in their industry. Food and advanced manufacturing workers highlighted their frustration of not having their skills formally recognised.

The AFGC, Food Manufacturing and Meat Processing unions and the Australian Airports Association all suggested that industry specific training centres could be established to recruit and train workers required for their industries.

They argued that this it could help attract more school leavers and people looking for a career change to their industry.

The Morrison Government's track record on this inspires zero hope.

That is why an Albanese Labor Government would create Jobs and Skills Australia, an independent body bringing together the business community, state and territory governments, unions, education providers and regional organisations to match skills training with the evolving demands of industry.

Many of the groups that we met with also support Labor's announcement of a minimum ratio of apprentices to tradespersons on all Australian Government funded projects.

There was also industry support for the AMWU proposal for a national 'common benchmark test' for apprentices, to ensure that apprentices graduate with the skills they need, and employers can't simply 'tick and flick' apprentices to meet their ratio requirements.

Organisations engaged in the care sector, believe that their sector could also benefit from a more formalised apprentice and cadet training scheme that's linked to Federal Government funding.

While we found there were other issues involved in recruiting and retaining a skilled workforce, skills and training are a key issue which many stakeholders stated must be addressed before Australia's pandemic recovery can progress.

In Focus: Early Childhood Education and Care

Affordable, universal early childhood education and care (childcare) is critical to our nation's pandemic recovery. As noted by many organisations, without the childcare sector many parents would not be able to work, and Australia's economic recovery will falter.

The early childhood education and care (ECEC) sector continues to struggle to recover from the impact of the pandemic.

The shambolic and at times dysfunctional policy response from the Morrison Government to manage the impact of the pandemic on the sector, has left centres struggling to financially survive, a massive loss of skilled workers and families with unexpected childcare debt.

Organisations told the taskforce that the Government's shambolic support for workers, centres and families throughout 2020 and 2021, led to many casual workers leaving the sector altogether.

What's troubling for the sector is the chaos is likely to continue throughout 2022 as COVID-19 infection rates soar and working families are having to regularly isolate.

There were already workforce capacity issues prior to the pandemic and many stakeholders expressed their fears that the chaos of the last two years mean some services will be forced to close due to a lack of qualified educators.

As previously mentioned, some industry leaders have called for a boost in the number of apprenticeships and cadet training opportunities and that this could be linked to Federal Government funding.

Another workforce recruitment solution suggested was to cut VET and TAFE fees for all students wanting to gain an ECEC qualification to work in the sector. While most new potential employees qualify for subsidies for the diploma of childcare, some, usually those who are career changers, are unable to get a subsidy for a diploma if they already have a degree.

Australia's public universities' ability to reskill Australian workers is also vital to any effort to rebuild our nation. Post pandemic Australia will need our public universities to train the skilled workers we need to lead the country out of this economic crisis.

From agronomists to engineers, university skilled and trained workers will be vital to our economic recovery. Just as with trades, Australia is also experiencing acute skill shortages in jobs like engineering, nursing, tech and teaching.

However, the Morrison Government's sustained attacks on universities resulting in massive academic and staff job losses has and will significantly impact the sector's capability and ability to retrain the skilled workers of the future.

Over the last several years, the Liberals have cut university funding, jacked up university fees, and failed to provide enough student places. An individual's capacity to pay should never be a factor for a potential student deciding to undertake a university course.

While most new potential employees qualify for subsidies for the diploma of childcare, some, usually those who are career changers, are unable to get a subsidy for a diploma if

they already have a degree. The pandemic also highlighted the urgent need for top-quality, cutting-edge research – including, but not limited to, the health sciences.

However, research funding is yet another area largely neglected by the Morrison Government. The Morrison Government waited until last Christmas Eve to tell 5,000 Australian researchers whether they'd have a job next year or whether their projects will have funding.

This was the longest delay in announcing Australian Research Grants in 30 years. After two years from hell, it's appalling that the Government is serving up our researchers this uncertainty. The Morrison Government is driving Australian researchers overseas.

This is a research brain drain created by our own Prime Minister. Scott Morrison simply can't be serious about research commercialisation if he continues to trash the universities that train and employ our brilliant researchers.

The veto of six grants Australian Research Grants on political grounds sent shockwaves through the Higher Education sector. Labor would never reject an Australian Research Council grant on political grounds.

New technologies and breakthroughs don't come out of thin air – we need researchers to invent or discover them. And Scott Morrison's driving many of those clever researchers out of work.

RECOMMENDATIONS:

- 2. Establish a national common benchmark test for apprentices*
- 3. Work with State and Territory Governments to reduce VET and TAFE fees for target skills for students who already have degrees and diplomas*
- 4. Create VET and TAFE frameworks for industries key to the pandemic recovery that may include funding the creation of industry specific training centres*
- 5. In collaboration with unions, employers and the sector, develop a comprehensive ECEC workforce strategy that includes:¹*
 - Implementing the National Children's Education and Care Workforce Strategy 2022-2031*
 - Removing fees for TAFE courses with a skills shortage, including child care*
 - Enhancing apprenticeship and cadet training opportunities*

¹ A similar plan could also be considered for other care sectors such as aged care and disability support services.

6. Fund additional Commonwealth Supported Places to help universities train Australians to meet skills needs.

FINDING THREE

JOBKEEPER – A GOOD IDEA POORLY IMPLEMENTED

A key issue raised with us was concern around the biggest one-off economic program in Australian history – JobKeeper dominated Taskforce conversations throughout most of 2021.

Labor called for wage subsidies, a call which was supported by unions and business.

We know how much of a lifeline JobKeeper was to millions of workers and businesses, yet the Morrison Government fumbled the delivery of this \$89 billion scheme.

They excluded thousands of workers vital to our nation's recovery, many who have not returned, exacerbating the pre-pandemic skills crisis in these industries. At the same time, the Morrison Government allowed billions of dollars to go to firms that did not need any support.

The Government's own review of the first six months of JobKeeper, revealed that 38 per cent of the first \$70 billion paid under the scheme went to companies that did not experience falls in sales.

That money could have helped thousands of Australians excluded from the JobKeeper scheme and those who were affected by the decision to end JobKeeper prematurely in the middle of the pandemic. Some organisations shared with the Taskforce the impact of never being eligible for JobKeeper.

Many regional airport workers or aviation workers employed by labour hire agencies like Dnata were excluded from JobKeeper. Now that domestic borders are reopening, the Australian Airport Association told the taskforce that their members are struggling to recruit back the skilled staff they require to operate their airports.

The Taskforce also met with organisations that were keen to point out how pleased they were with JobKeeper with some calling it a 'salvation' which allowed their business or not-for-profit to survive during the 2020 lockdowns and border closures. However, many were bitterly disappointed when the program ended prior to the end of the lockdowns and border closures of 2021.

The prolonged lockdowns in Victoria, NSW and ACT throughout 2021 left many businesses unable to pay their employees. As a result, thousands of workers were sacked. The Australian Hotels Association foreshadowed how this would impact workers when briefing the Taskforce in February 2021.

"When JobKeeper ends... we still don't know what that means for our industry. Snap lockdowns could still happen for public health reasons. If they do, some workers will be stood down without pay."

- *Australian Hotels Association briefing the Taskforce on 23 February 2021.*

In response, the government established the COVID-19 Disaster Payment, which was widely criticized by industry groups and small businesses for essentially tearing apart the employment relationship preserved by JobKeeper by transferring workers onto Centrelink payments.

While the time has well and truly passed to amend the failures of the JobKeeper program, there is an opportunity to support these sectors badly let down by its failures.

For these sectors, there needs to be targeted support to aid their post-pandemic recovery and their efforts to recruit experienced skilled workers to return.

In Focus: Australian Universities and JobKeeper

Australia's public universities and the tertiary education sector more generally, have been hit by bigger job losses than any other non-agricultural sector in the economy (Centre of Future of Work, NTEU).

The Taskforce met with Universities Australia and the NTEU in February 2021 and both predicted massive jobs losses because of the Federal Government's move to deliberately exclude their sector from the JobKeeper program.

The closures of our nations international borders caused a collapse in international student enrolments, plunging universities into an unforeseen financial crisis.

Universities Australia predicted that there would be 17,300 jobs lost across the sector.

In September 2021, the National Tertiary Education Union released the results from the Centre of Future of Work study they had commissioned. Their results revealed that 40,000 tertiary education staff across Australia – nearly one in five – had lost their jobs during the pandemic.

The Federal Government's alternative policy packages for the tertiary education sector have failed to address the rapid loss of jobs to the sector and failed to ensure that these 40,000 workers were re-employed.

Policy failures such as excluding public universities from accessing JobKeeper will unnecessarily prolong Australia's pandemic recovery.

Given their role in reskilling Australian workers, public universities are vital to any effort to rebuild our nation. This is discussed in more detail later in this report.

RECOMMENDATION

- 7. Work with affected industries to develop targeted policies that will alleviate the fallout from being excluded from the JobKeeper scheme and those impacted by the JobKeeper scheme ending mid pandemic.*

FINDING FOUR

TARGETED SUPPORT IS NEEDED FOR INDUSTRIES MOST AFFECTED BY THE PANDEMIC

Some regions, industries, and businesses have been disproportionately affected by COVID-19 lockdowns and restrictions.

The effects of restrictions and lockdowns were not felt equally across states, regions, industries or businesses.

In some cases, the very nature of businesses was acutely affected by progressive lockdowns, restrictions and border closures.

Industries like snow and alpine-region businesses have lost two seasons as a result of COVID lockdowns and restrictions.

The Snowsport Industries of Australia (SIA) represents the interests of the snow industry, which contributes more than \$2 billion annually to the national economy. Many members of the industry are family-owned businesses.

Although other businesses will return to what has been termed COVID normal, businesses in the snow and alpine regions will need to hold on well into 2022 or beyond, depending on consumer confidence and their willingness to travel.

While some entire industries were affected, like snow and alpine-region businesses, industries such as beer-brewing, saw impacts affect different elements of their business.

Australian Bureau of Statistics data shows alcohol retailer turnover in Australia increased by \$3.3 billion from 2019 to 2020, reaching a record \$15.6 billion in 2020 which represents an increase of 26.7 per cent.

Whilst retail sales are up, draught kegs and beer sold in pubs and clubs is down and brewers of all sizes have been affected.

Some smaller producers reported volume losses of over 70 per cent, because their clients stopped ordering beer due to lockdowns, density restrictions and border closures that had been in place in some jurisdictions for the best part of two years.

In 2022, the reintroduction of some pandemic restrictions and customer confidence around catching COVID, could result in this year being just as tough.

The AHA, Clubs Australia and the Brewer's Association are asking the major parties to cut the excise rate for draught beer by 50 per cent to help the post-pandemic recovery by increasing cash flows in the industry. This change could result in a small to medium-sized pub or club, which sells between 10 and 15 kegs, save approximately \$500 a week or \$26,000 each year.

"[On providing support for small businesses, the Federal Government has been] totally absent. Being told to go to the TGA website is not reasonable."

- *Council of Small Business Organisations Australia briefing the Taskforce on 9 August 2021.*
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There are countless examples of businesses, regions and industries that have paid a heavy price over the course of this pandemic.

In Focus: Australian Creative Industries

Australia's arts and entertainment sector has been particularly hard hit by the pandemic. The sector was one of the first to close and one of the last to reopen. Across the arts community the impact of COVID-19 has been and continues to be "catastrophic" (Australia Council of the Arts).

A national cross-industry survey conducted by the ABS between 16 and 23 March 2021 showed that more than half of all arts and recreation businesses had ceased trading. In addition, 73 per cent of arts and recreation businesses reported that their business had been adversely affected by COVID-19.

As the pandemic has progressed the situation for many in the arts and creative industries has not improved.

The Federal Government has failed to provide adequate financial support to the sector throughout the course of the pandemic, with many businesses on the brink of collapse and thousands of workers left with very little income or without an income at all.

Many of the arts organisations that the taskforce met with said they feared that the skilled arts workers stood down for the good part of two years would not return after the pandemic leaving a massive skills deficit across the industry.

The economic impact of the COVID-19 pandemic on the events sector has been wide-ranging and caused significant financial harm across Australia.

One of the greatest challenges the industry faces in the post-pandemic recovery, is access to events insurance. The sector argued that an insurance scheme was needed to restore confidence.

Labor has called on the Federal Government to set up a national COVID-19 insurance scheme for the arts, entertainment and events industry similar to the Temporary Interruption Fund for the film industry. Such a scheme would provide businesses and workers with much needed certainty and stability during the post-pandemic recovery period.

The arts are also vital to the social and emotional wellbeing of the nation. Like with any other natural disaster, Australians turn to the arts to help them heal.

The arts have an important role to play through promoting well-being and creating space to recreate social connection and help share pandemic experiences. Now more than ever, a vibrant Arts sector will be necessary to help heal the social and emotional impact of the COVID-19 pandemic.

Small businesses and advocacy groups said that Government's cash flow boost based on their PAYG withholding support was helpful and simple to apply for. Temporary cash flow boosts were designed to support small and medium businesses and not-for-profit organisations during the economic downturn associated with COVID-19.

There was general agreement that more of this kind of support would be of benefit to small businesses still struggling to survive the economic impact of the pandemic.

Further, similar stimulus programs using the tax system should be considered.

While economy wide interventions were needed during the pandemic response, industry specific supports are desperately needed for those sectors hardest hit.

These sectors require urgent industry specific targeted support to ensure there isn't an uneven and patchy recovery that leaves too many Australians behind.

In Focus: Far North Queensland Tourism

The Taskforce was launched in Cairns, Queensland in recognition of the deep economic impact that COVID-19 has had on the region.

Tropical North Queensland is the most tourism reliant region in Australia. One in six families in the region are supported by a job in tourism. The industry estimates that COVID-19 has contributed to an economic loss of \$5.3 billion to the region.

While some parts of the country were able to pivot to the domestic market, the geographical location of Tropical North Queensland meant recovery was reliant on visitors flying to the region.

The industry was also reliant on international visitor spend.

China represented a key market for the region, which at its peak in 2016 was contributing \$300 million in visitor spend annually. COVID-19 and increasing trade tensions have seen a decline of over \$428.3 million.

Tourism, and regions heavily reliant on International Tourism, have been badly affected by the closure of domestic and international borders, economic uncertainty and lack of Government support.

"We feel as though the industry has been thrown to the wolves."

- *Michael from Pinnacle Tourism Marketing (Courtesy of TTNQ Tourism Recovery Funding Submission)*

It is estimated that the international market will take more than six years to return to 2019 levels. As the world opens up, Australia will be competing with other global destinations for a slice of the pent-up tourism market. Government needs to develop a strategy to make sure Australia does not lose its international market share.

RECOMMENDATIONS

- 8. As required, create specific working groups to develop targeted temporary measures that will address the disproportionate impact of the pandemic on a region and/or industry. Further, deliver any assistance quickly to help secure jobs.*

Arts, Entertainment and Events industry:

- 9. Set up a national COVID-19 insurance scheme for the Arts, Entertainment and Events and industries.*
- 10. Increase funding (including a round for pandemic related arts projects) to the Australian Council of the Arts.*

Tourism Industry:

- 11. Establish a tourism working group to ensure Australia can compete internationally with other markets when borders reopen.*

FINDING FIVE

LOCAL MANUFACTURING AND SOVEREIGN CAPABILITY

Since the COVID-19 crisis emerged, Australians have been starkly reminded of the importance of being able to manufacture goods domestically.

Many organisations highlighted Australia's lack of sovereign manufacturing capability and the risks associated with this - especially when global supply chains can be easily disrupted.

Unions and industry groups also told the Taskforce that manufacturing played a central role in the post-war reconstruction effort. Government placed top priority on building national industries.

Labor shares this view.

Labor will establish a National Reconstruction Fund, to help create secure jobs for Australian workers, drive regional economic development, boost our sovereign capability and diversify the nation's economy. Building new industries and boosting our existing industries represents an opportunity for Australia to recover from the COVID-19 pandemic with a stronger economy.

Labor's plan for a National Reconstruction Fund will allocate \$15 billion for partnerships with the private sector, including superannuation funds, to support investments which will grow the economy and increase employment.

Stakeholders also agreed that prioritising advanced manufacturing with a technology focus was necessary to future-proof local industry. Labor's National Reconstruction Fund is one avenue that will help Australian manufacturing achieve this outcome.

To survive and thrive beyond the pandemic, Australian manufacturing needs to embrace research and innovation, invest in expertise and technology and prioritise collaboration.

Australia must be a country that makes things, a country that has our own industrial and manufacturing capabilities and be a country that has our own sovereign capabilities.

Labor also believes government must do its part to make that happen and ensure that our future is made in Australia, which is why we have also announced our Buy Australian Plan.

The Australian Government has spent around \$190 billion on government contracts over the last three financial years demonstrating that our procurement policy could be a major economic lever driving the economic recovery post- COVID-19.

Stakeholders welcomed Labor's Buy Australian Plan and expressed great relief and excitement when informed about its commitment to supporting Australian manufacturers.

Locally made medical equipment and technology

International shortages of medical equipment and personal protective equipment, exacerbated by restrictions on exports imposed by some countries, created concern that Australia might not have access to these essential supplies. Prior to the pandemic, 80 per cent of medical supplies in Australia were imported from overseas.

Australian manufacturers scrambled to convert their facilities to produce vital medical equipment and supplies. However, many of these manufacturers lost out when restrictions in some countries eased, allowing overseas suppliers to export to Australia.

Organisations who spoke with the Taskforce also noted that while governments were very keen to promote Australian manufacturing early in the pandemic, they have already started preferencing cheaper overseas products at the expense of local producers.

Local manufacturers who spoke with the Taskforce were disappointed that they were not rewarded for their investments by being granted medium to long term contracts that would have allowed them to recoup their costs and more importantly, maintain this manufacturing capability onshore and the jobs it creates.

A medical technology worker reported that they felt very let down by Australia's lack of commitment to ensure our nation's sovereign capability to manufacture such vital products onshore and therefore, help to secure their jobs.

This worker also shared their frustration that despite it being a pandemic, their Victorian employer shutdown their local factory, planning to relocate their manufacturing operation overseas.

It's hard to fathom that next year the GSK plant in Melbourne is slated to close its doors, while Pfizer has said it will shut up shop at its Perth factory in 2023. UWU told the

Taskforce that because of these decisions, more than 800 advanced manufacturing workers will be out of a job.

Disappointingly, the Morrison Government has not learnt from its mistakes with the lack of supply and individual cost of Rapid Antigen Tests, creating unacceptable risk to the health of Australians and putting at risk pandemic recovery plans for far too many Australian businesses.

Like with the Morrison Government's failure on vaccines and quarantine, this latest pandemic related bungle will have far reaching consequences and is another example of the Morrison Government's failure to secure domestic supply chains and manufacturing.

Manufacturing more building supplies

Due to the nation's construction boom, locally sourced building materials are in short supply.

On housing construction, some organisations noted that despite record numbers of housing approvals being granted, buildings have been delayed due to skill and supply shortages.

The Federal Government's signature pandemic recovery stimulus measure, the 'Homebuilder' grant, pushed up the prices of building materials. Building supply businesses and manufacturers were unable to keep up with demand, leading to long delays and cost blow outs.

The timber industry raised with the taskforce the urgent need for proper industry planning and investment in plantations and sawmills if Australia wanted to address this problem over the medium to long term given the time lag between planting and harvesting plantation timber.

RECOMMENDATIONS

12. Encourage the purchase of locally manufactured pharmaceuticals, medical equipment and technology through changes to the Australian Government procurement guidelines.

13. Consider creating a Minister for Manufacturing that will be tasked with coordinating Labor's rebuilding local manufacturing plans.

14. As part of the National Reconstruction Fund, consider creating a localised supply chain investment fund that will help plug supply chain gaps with local solutions.

FINDING SIX

WE MUST BUILD BACK BETTER

What is clear is that we cannot just build back from this pandemic. We must build an Australia that is stronger and better than it was before. We need leadership, we need vision and we need a government that has a plan to get there.

The Morrison Government's economic mismanagement is hurting our nation's recovery. At a time of great uncertainty, all Scott Morrison can offer is the same complacency and shorts.

Many of the organisations the Taskforce met with said the same thing, while there was economic recovery underway, it was patchy, uneven, and there were workers and businesses being left behind.

The Budget would be stronger were it not weighed down with tens of billions of dollars in shorts and waste, and there'd be more room to fund essential services like Medicare.

Much has been said about the billions squirrelled away for pre-election waste; record debt and deficits as far as the eye can see with not enough to show for it; and real wages going backwards.

Our economy needs a comprehensive strategy for the recovery.

Whilst large nation building projects like Labor's Rewiring the Nation and High-Speed Rail projects will help the Australian economy recover from the pandemic by creating jobs and building our nation's infrastructure needs, smaller local projects will also aid recovery at a local level.

Small businesses and retailers raised concerns about the impact of the pandemic has had on face-to-face retail, particularly shops in small retail strips and high streets. The months of lockdown and restrictions had an immediate effect, turning retail strips and high streets into ghost towns. Some businesses did not survive, and once busy hubs are now dotted with empty shops and tired streetscapes.

There are many avenues the Federal Government could and should be exploring to help rebuild the Australian economy with a long-term vision in mind.

The Digital Economy

The need to increase the digital literacy skills of Australian businesses is crucial to the recovery of the Australian economy. Australians should benefit from world-class broadband and mobile infrastructure- it is critical for Australia's prosperity and resilience, especially in the post pandemic era.

The COVID-19 pandemic has exposed the digital divide like never before. With more Australians working and studying from home, the need for fast, reliable and affordable internet connectivity has never been more urgent.

Many organisations raised the need for Australia to increase funding for smart digital technology and also argued for small and medium businesses (especially in regional areas) to have better connectivity.

Poor connectivity is a key issue for regional businesses with the lack of reliable and fast internet often being a drag on their ability to operate to the standard that they are aiming for, or in some cases to operate at all.

Further, the “mass movement” to the regions currently occurring will stall if this issue is not addressed.

Labor's recent NBN policy announcement to give 1.5 million homes and businesses access to full-fibre connectivity will be welcomed by many of the businesses and organisations that the taskforce met with.

The \$2.4 billion plan will expand full-fibre NBN access across the country and will benefit up to 660,000 premises in regional Australia.

Labor will also keep the NBN in public hands, keeping internet costs for families and businesses affordable, while ensuring improvements to the network.

A Sustainable Recovery

Several stakeholders the Taskforce met with shared Labor's view that Australia can build back better and more environmentally sustainably.

Post pandemic is an opportunity for a sustainable and inclusive economic recovery from the COVID-19 pandemic. A sustainable recovery will significantly enhance our country's resilience in the face of both the severe economic conditions and accelerating environmental challenges.

Australia can do so much more, and many organisations were keen for Australian businesses to capitalise on a sustainable economic model going forward.

Manufacturing stakeholders agreed that Australia's raw materials and its potential to value add means that it is well placed to be a world leader in the production of batteries and in the hydrogen industry. This would benefit the Australian economy through local consumption and export opportunities.

Much was also made of the need for Australia to do better in terms of its environmental credentials with many trade deals around the world asking for terms that are consistent with the Green New Deal in the United States.

Labor's Powering Australia plan announced in December 2021 will prioritise growth and investment for the regions that have served as Australia's engine room for so long by delivering cheaper energy and lower emissions.

Housing and affordable housing for all Australians

There is currently a lack of affordable housing across Australia. This is especially the case in regional Australia where many organisations highlighted how a lack of access to affordable housing has contributed to labour shortages; workers cannot relocate to regional areas if there is no affordable housing for them and their families.

Another issue that was raised was the impact of houses now used for short term holiday rentals – such as AirBnB - or holiday homes and are therefore unavailable for long term rent.

As previously stated, some organisations noted that despite record numbers of housing approvals being granted, buildings have been delayed due to skill and supply shortages.

It is harder to buy a home today than ever before. It is harder to rent than ever before. There are more homeless Australians than ever before. Affordable housing for all Australians should be a national priority.

There was broad support for Labor's Housing Australia Future Fund that will build 30,000 social and affordable homes across the country.

Stakeholders suggested that long term planning was required to address the structural issues underlying the current housing crisis and called for national leadership to develop policies to address ongoing housing issues.

RECOMMENDATIONS

15. Work with local councils and chambers of commerce to help prioritise investment in revitalising local retail areas.

16. Develop a National Housing and Homelessness Plan that considers key issues impacting access to affordable housing including for aspiring homeowners, renters and the homeless

CONCLUSION

The COVID-19 Pandemic has wreaked havoc on the economy. Many workers have lost their job, have lost hours, or both and many businesses and industries have been brought to their knees.

Our government is wasting its opportunity to build back better.

From great disaster can come great opportunity. Australian governments have proven this throughout history. The Reconstruction that occurred after World War Two saw Ben Chifley and his Labor Government create the Australian National University, saw the first all-Australian car – the Holden – roll off the production line and saw the completion of the Snowy Hydro Scheme. The same period saw 130,000 houses and flats built to address housing shortages and substantial increases in government research grants.

The Australian government has an immense opportunity to rebuild from this pandemic. To ensure a resilient and prosperous Australia for years to come.

The Morrison Government simply isn't up to the task. In fact, their economic mismanagement is hurting our nation's recovery.

The JobKeeper program, a great idea badly implemented, that saw \$38 billion given to companies whose turnover did not fall below eligibility thresholds. This is the same program that deliberately and consistently excluded universities and their staff, resulting in one in five university workers losing their jobs.

This is the same government, that was dragged kicking and screaming to a net-zero commitment. Whose plan for climate action is to leave it to future governments and to future technology. True to form for this Prime Minister – every crisis is someone else's responsibility.

Scott Morrison and his Government have continually undermined universities and TAFE leading to critical skill shortages across the economy. Early childcare educators, aged care staff and food manufacturing workers are under paid and undervalued.

The Morrison Government has also proved too willing to outsource, outlay and move offshore critical industries. The consequences of which have been laid bare throughout this pandemic.

Empty supermarket shelves, shortages of Rapid Antigen Tests and vaccines, and soaring case numbers, all a reminder that we are not on the other side of this pandemic yet.

A future Labor Government has a plan for our nation's recovery. We have a bold and exciting vision.

A vision that will embrace the opportunities of climate change, that will bring manufacturing back to Australian shores and one that will have Australian workers and Australian families at its core.

The Australia that emerges on the other side of the COVID-19 pandemic, cannot be the same Australia.

Where wages are stagnant, where healthcare and child care costs are rising and where insecure work isn't the exception, it's the norm.

We need to rebuild better. We need to rebuild stronger. We need a Labor Government.

ACKNOWLEDGEMENTS AND LIST OF PARTICIPATING ORGANISATIONS

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| AMIEU |
| Universities Australia |
| NTEU |
| Skyrail Cairns |
| Tropical Reef |
| Central Queensland University |
| Salvation Army |
| Lion and AHA |
| UWU |
| Macquarie Arts Community |
| Volunteering Australia |
| Sapphire Community Pantry |
| Bega Cheese |
| Bega Community Pantry |
| Mission Australia |
| Bega Women's Resource Centre |
| Sapphire Life opportunities |
| South East Women and Children's Services |
| Narooma Chamber of Commerce |
| Tathra Chamber of Commerce |
| Tathra Beach House Apartments |

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| Tathra Beachside Accommodation |
| Eden Chamber of Commerce |
| Blend Tathra |
| Cat Balou Cruises |
| Eden Antiques Collectables and Old Wares |
| Jigamy Twofold Aboriginal Corporation |
| Magic Mountain Merimbula |
| APM Merimbula |
| Blyton Group |
| Mountain Culture Beer Co |
| Scenic World Australia |
| Tourism Top End |
| C&G Management Services |
| Crocosaurus Cove |
| Hospitality NT |
| Youth Shack Backpackers |
| NT Chamber of Commerce |
| NT Farmers Association |
| NT Mango Industry Association |
| Forestry Industry Association NT |
| NT Cattlemen's Association |
| Australia Bay Seafoods |
| NT Seafood Council |
| Kurrajong Kitchen |
| Karu Distillery |
| Hawkesbury City Chamber of Commerce |
| Colonial Smash Repairs |
| Cumberland Manufacturing Centre |
| Eclipse Wholefoods |
| Pastel Pines |

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| Gaining Edge |
| Merlin FX |
| Mount Vic & Me |
| Michael Minns Human Resources |
| Nature Trail |
| Megalong Creek Estate |
| Megalong Creek Estate |
| Blueberry Hills on Comleroy |
| Owners Bilpin Fruit Bowl |
| The Reassembler |
| Mountains Tales Tour Operator |
| Blue Mountains Events and Conferences |
| Blue Mountains Regional Business Chamber |
| Bushfire Recovery Support Officer |
| Ann Niddrie Photographer |
| Hotel Etico |
| Karu Distillery |
| Mount Victoria Manor |
| Dantosa Mountain Retreat |
| Glenella Guesthouse |
| Julie Newbury Counselling |
| Silver Screen Pictures |
| The Chalet Guesthouse |
| Unions NT |
| Australian Childcare Alliance |
| Australian Food and Grocery Council |
| Screen producers Australia |
| Australian Forest Products Association |
| Science and Technology Australia |
| MEAA |

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|---------------------------------|
| AMWU |
| AWU |
| COSBOA |
| Gertrude Contemporary |
| Thornbury Picture House |
| The Final Cut |
| Arts Projects Australia |
| Darebin Brass |
| Outer Urban Projects |
| Clan Collective |
| Nook Dance Studio |
| Beat Dance |
| McKell Institute |
| HSU |
| Per Capita Institute |
| Regional Australia Institute |
| SDA |
| MUA |
| Australian Airports Association |