

Australia: Country Report

Asia Pacific Federation of Human Resource Management (APFHRM)

Hong Kong Meeting

21 November 2017

1. Current economic and political situation in the country

Economy and labour market situation

The Australian Gross Domestic Product (GDP) showed a quarterly change of 0.8 per cent since June 2017. The Australian resident population was estimated at 24,732,557 for the quarter, with average weekly earnings at A\$1,543.80 in May 2017, according to Australian Bureau of Statistics figures. The consumer price index in the September quarter 2017 rose 1.8 per cent.

Australia's seasonally adjusted unemployment rate decreased to 5.5 per cent in September 2017. Unemployment decreased 2,200 to 716,600. The number of people employed was 12,281,200 in September 2017. Monthly hours worked increased 3.1 million hours (0.2 per cent) to 1.714.5 million hours.

The ABS reported a labour force participation rate that remained steady at 65.2 per cent in September 2017.

Political situation

Despite the political capital that Prime Minister Malcolm Turnbull brought with him when he assumed office in 2016, his fortunes have steadily lost traction in the opinion polls as internal divisions in the coalition have made it difficult for him to act decisively.

That has been especially the case with respect to energy policy, which has been characterised by rancorous ideological divisions over renewables and coal, as well as the development of an acceptable carbon emissions policy.

The Prime Minister has fared better in foreign affairs, an example of which was his taking a stand against US President Donald Trump who had threatened to withdraw from an Obama agreement to resettle a number of Australian refugees in the US, following a Papua-New Guinea legal decision that it could no longer house Australian asylum seekers on Manus Island.

More recently, his Government, and the parliament in general, have been hit by revelations that a number of Members and Senators have been found by the Australian High Court to be dual citizens and therefore ineligible to hold a seat in the Parliament. The Deputy Prime Minister has fallen foul of that law and the Government at time of writing risks losing its slim majority with other Lower House Members named. Governments in Australia are formed in the Lower House of Representatives, not the Senate Upper House.

Assuming the Government survives, the proposed corporate tax cuts, increasing deficits, and low wage growth, are likely to continue to be issues as the Government works towards its 2018 May Budget.

2. HR challenges

The main challenges facing the HR profession in Australia at present are:

- **Technology:** Developments in thinking on robotics and artificial intelligence technologies that threaten the jobs of people continue to affect the momentum for HR to positively engage the workforce and contribute towards innovation that includes human beings working in concert with technological advances for the competitiveness and sustainability of business.
- **Talent management:** This remains a recurring priority for Australian businesses and their HR practitioners as they look for ways to boost their competitive edge through their people.
- **Business confidence:** The economic uncertainties created by the election of Donald Trump in the US and the Brexit vote in the UK continue to touch business confidence during 2017, and the stagnating wage growth is one of the factors affecting consumer spending.

3. AHRI projects and initiatives

Major areas of AHRI activity include the following:

- AHRI's certification initiative continues to be our primary area of activity with the numbers of certified practitioners growing as each cohort come through the various pathways that entitle them to candidature for certification by the National Certification Council. The communication campaign around certification has now moved into a phase in which AHRI is talking to employers about certified members.
- The 2017 AHRI National Convention scheduled for the new Sydney International Convention Centre was held in August and featured speakers of the order of Erica Dhawan, Robert French, Matt Wallaert, Tomas Chamorro, Rachel Botsman, Dave Ulrich, Susan Entwisle, Andrew Meikle, and Chris Riddell. A total of around 3000 delegates and visitors attended the convention.
- AHRI enjoyed strong application numbers for the 2017 AHRI Awards and the AHRI Diversity and Inclusion Awards. Winners will be announced at a gala dinner in Melbourne during November.
- AHRI published a research report in June on Ethics and Business in association with an Australian accountant association, CPA Australia. A survey of members was also conducted in association with a prominent university on 'Workplace Domestic Violence and HR', and another survey was conducted on 'The Future of Work: HR Hopes and Fears'. The findings of both surveys attracted prominent media attention in the mainstream press.
- A second AHRI Mentoring Program intake in October attracted a wide range of HR practitioners, and added to the already 600 mentor and mentee participants are engaged after the first 2017 intake. They include mentors nominating their time from offshore locations in Dubai, Singapore, Kuala Lumpur, and London, with pairs finally matched during March.

4. Scheduled conferences

- A series of AHRI State Conferences were conducted in May (Adelaide) and October (Newcastle and Brisbane).
- Two AHRI Inclusion and Diversity Conferences were held in Canberra on 26 October and in Melbourne on 2 November, following an earlier conference held on 1 May in Sydney.

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