



ACCI BITES

As part of ACCI's responsibility to promote the views of business to national policy makers and opinion leaders, we place a strong emphasis on influencing public debate via the media. The following article highlights some of the policy areas in which ACCI took an interest during April, including National OHS Policy, WorkChoices, Skilled Migration and Drugs at Work.

COAG - Unworkable OHS Duties in NSW Wrecking Prospect of National OHS Reform

ACCI expressed disappointment at the prospect of national occupational health and safety (OHS) reform being stymied by wrecking tactics of the New South Wales Government at the mid April meeting of the Council of Australian Governments (COAG).

Twelve months ago, the political leaders of all governments in Australia, through COAG, acknowledged that Australia's multiple OHS laws were a regulatory mess and that a concerted effort was needed to harmonise them.

However the New South Wales Premier, alone from all political leaders, declared his government would not endorse any harmonisation that affected duty holder responsibilities under New South Wales OHS laws. This was then written into the COAG communiqué.

Australia cannot reform its OHS laws if one State quarantines its laws, especially their most contentious aspects, from the harmonisation effort.

Instead of acting as a spoiler, the NSW Government should use COAG's national reform agenda to improve what are widely regarded as the most extreme and unworkable State OHS laws in the country.

The NSW Government's current review of its OHS laws by Hon. Paul Stein QC is no excuse for setting the State apart from the national harmonisation effort. The Stein review should urge the NSW Government to change its laws so that they are fair on duty holders and to participate in the COAG reform effort.

Other Australian governments have bent over backwards to accommodate NSW in this process. The Workplace Relations Ministers Council last year imposed principles on the reform work by the (tripartite) Australian Safety and Compensation Council to pacify the NSW

Government. The COAG outcome suggests that the WRMC wasted its time accommodating NSW, which now stands aside from the COAG initiative.

If Australia's OHS laws are properly overhauled, there will be less red tape and safer outcomes. NSW has more red tape and worse safety outcomes than the Australian average. The ACCI OHS Blueprint, *Modern Workplace: Safer Workplace* outlines a course for industry and governments to improve regulatory quality and OHS outcomes and is available on the ACCI website at www.acci.asn.au/OHSBlueprintMain.htm.

ACCI represents Australian employers on the Australian Safety and Compensation Council, which is charged by COAG and WRMC to develop the national OHS reform agenda

276,000 New Jobs in the First Year of WorkChoices Is Good News

ACCI welcomed the mid April release of the first full year of labour force data since WorkChoices commenced, which shows that 276,000 new jobs have been created in 12 months.

Claim and counter claim about WorkChoices is now being replaced with hard data.

The evidence coming in is that WorkChoices is good for the Australian economy and has been very good for jobs.

Most tellingly, is the strength of full time jobs growth over the past year (265,400 new full time jobs). This makes up an extraordinary 96 per cent of total employment growth over the period. Full time jobs growth has been 3.7 per cent in one year alone.

Strong full time jobs growth is consistent with the employer responses to the creation by WorkChoices of an exemption for small business from unfair dismissal laws. With the exemption, there is less risk associated with

employing full time permanent staff.

The data also shows that since WorkChoices started in March 2006, the following has happened:

- unemployment has fallen by 44,500 with male unemployment down 44,500 and female unemployment unchanged. The percentage reduction in unemployment is 8.4 per cent;
- the unemployment rate has fallen by 0.5 percentage points to 4.5 per cent;
- the participation rate has increased by 0.3 percentage points to 64.8 per cent; and
- the employment to population ratio has risen by 0.7 percentage points to 61.9 per cent - just below the all time record of 62 per cent reached last December.

After a generation of effort Australia has reduced unemployment to below 5 per cent, and employers are now creating hundreds of thousands of new jobs each year. Workplace reform has been a hard slog. It makes no sense for workplace reform to be wound back, just when the evidence of positive benefits to the Australian economy and labour market are emerging.

Changes to Skilled Temporary Visa Laws

In late April, ACCI welcomed changes to the skilled temporary visa laws announced by the Australian Government to fast-tracking of applications from employers with a demonstrated record of compliance with the 457 program.

With many firms, industries and geographic areas facing very real skills shortages which are unlikely to be met from local sources, the 457 visa represents an important option to enhance a business' skilled workforce.

However, the business community will be seeking additional information from the Government on the proposed new penalty regime.

For the overwhelming majority of employers using the 457 program who do the right thing - in excess of 98 per cent according to Australian Government figures – the new penalty regime is another regulatory burden for them to carry.

As at late last year, allegations of misuse of the program had been levelled against some 180 employers out of the more than 10,000 businesses using the program and more than 70 per cent of these allegations of misconduct were

found to have been without merit.

In legitimately targeting the very small proportion who do the wrong thing, the Australian Government must not inadvertently penalise those who do the right thing.

ACCI remains disappointed that the Australian Government remains committed to the Minimum Salary Level (MSL), which applies a 'one size fits all' and a highly centralised and regulated approach to salary determination.

The MSL is inconsistent with the Australian Government's valuable WorkChoices reforms and should be replaced by a threshold based on the 'appropriate industrial instrument'.

Employer Bodies Act on Drug and Alcohol Issues

Also in late April, ACCI released a new *Drugs and Alcohol Policy* statement on the workplace impact of drug and alcohol use.

The policy statement should act as a guide to governments and employers, to highlight the high level consideration being given by industry bodies to what is now a contemporary social and industrial issue.

During April, the Australian Drug Law Reform Foundation released a report which quantified the cost of illicit drug use. The Foundation stated that illicit drug use in 2003 cost Australian business \$3.3 billion, or two per cent of that year's corporate profits. The total cost of illicit drug use to Australia was \$6.7 billion.

Employers are increasingly reporting that the misuse of drugs and alcohol, including the illegal use of recreational drugs, is both a productivity and health and safety issue. Long term solutions can only be effectively undertaken on a whole of society basis.

The *Drugs and Alcohol Policy* was endorsed by employer bodies at a national meeting of ACCI's General Council and was developed over the preceding six months. The statement highlights that:

- individual responsibility for the use and misuse of drugs and alcohol must be at the centre of policy responses;
- employers must have the legal rights and adequate information to deal with issues as they arise in the workplace; and

- no one approach should be expected of, or applied in, different workplace contexts.

A copy of the Drugs and Alcohol Policy is on the ACCI website www.acci.asn.au.