



AUSTRALIAN CHAMBER OF COMMERCE AND INDUSTRY

Opinion Piece for the Courier Mail by ACCI Chief Executive Peter Hendy on the Work and Family Test Case - 2 September 2004

Businesses reject 'one size fits all' line

AS THE father of two young children, I know how difficult it can be to juggle work and family responsibilities.

It is not just employees who find the work and family balance a real challenge. You only need to go down to the local shopping centre, have a chat to the local small business and find out just how little family time many business owners and managers have.

The work and family challenge is a broad community issue. It is not just about what unions demand, or what a particular employee wants.

For example, an employee making a demand that they be given the right to take annual leave during school holidays affects the rights of other employees who might also want school holiday leave. In turn, it affects the right of the business to operate efficiently during school holidays and meet its customers' demands.

This simple example shows how demands for new national employment rights are not a sensible approach to work and family.

Yet that is the approach of the ACTU and other trade unions. They are asking the Australian Industrial Relations Commission to impose new and far-reaching national employment regulation on maternity leave, on working hours, on annual leave and on part-time work. This includes a claim that all employers give leave and hold jobs open after childbirth for two years, that in some cases jobs should be held over until children reach school age (5 years) and that employees be given a prima facie right to choose their own work times and work location.

These claims are on top of all existing employment rights, including annual leave, sick leave, personal leave, carer's leave and parental leave. They are not accompanied by any cost offsets or efficiency trade-offs.

Worse still, the union claims are aimed at small and medium employers who employ under industrial awards -- the very people who sacrifice so much of their own family time.

The fact that unions are able to pursue these flawed, "rights"-based and one-size-fits-all claims highlights the problem with the current arbitration system where one centralised decision from Melbourne affects small businesses from Bunbury to Brisbane

In the real world of employment and business management, common sense must prevail.

Employers do not oppose sensible measures being worked out in workplaces to try to help staff better balance work and family issues, but meaningful solutions to balancing work and family can be found only by making existing employment regulation more flexible and by improving workplace relations and attitudes -- not by new, economy-wide employment rights.

Businesses are, by definition, commercial undertakings, and must act in the best interests of that business. Employers accept responsibility for running businesses and trying to create jobs. Employers do not accept obligations that more properly rest with individuals, their families or the broader community. This does not mean that real efforts must not be made to manage these issues and help staff out, but it means sometimes saying no, as well as saying yes.

Employers must satisfy multiple commercial relationships, not just employees' demands. The demands of one employee and his or her family cannot be allowed to compromise the needs of other employees, clients, consumers, contractors, suppliers, banks, and, in small business, the employer's own family. To do so would make all jobs in the business less secure.

TO ENSURE that work and family does not work against the employment of women or of working parents, it is critical that changes to the law do not restrict the responsibility of managers to operate businesses around customers' needs and commercial realities.

Unions also must understand that business costs through tribunal arbitration already are increasing. The commission has only recently imposed significant new wage and redundancy costs on small and medium employers. Adding to that burden before the ink is even dry on higher labour costs also makes jobs less secure.

If unions are serious about making industrial laws meaningful for work and family, they would abandon the rights-based approach in favour of making existing regulation more flexible and workable.

That is the sensible course, and one that employers are pursuing.

Peter Hendy is the chief executive of the Australian Chamber of Commerce and Industry