



AUSTRALIAN CHAMBER OF COMMERCE AND INDUSTRY

Opinion Piece by ACCI Chief Executive Peter Hendy for the Adelaide Advertiser - "Unions Campaign to Scare Workplace"- 29 June 2005

By Peter Hendy, Chief Executive, Australian Chamber of Commerce and Industry

THIS week of protests by Australian unions against proposed changes to industrial relations laws should be renamed the ``Week of Union Propaganda and Self-Interest''. By wrapping itself in a cloak of so-called workers' rights and running a misleading fear campaign, the union movement is merely hiding a determination to protect its own interests and privileges.

The greatest lie of this union campaign is the claim that a more flexible workplace system will be unfair to employees.

Under the proposed changes, awards are restructured but will be retained; wage fixation will be reformed but minimum wages will be retained; agreement making will be made more flexible but will be retained; and corporations remain regulated but by one system rather than six.

Federal legislation will protect the key minimum conditions of employment including annual leave, personal/carer's leave, parental leave and maximum ordinary hours of work and a minimum wage will be set by a new Australian Fair Pay Commission.

But the union movement will not let such facts get in the way of a scare campaign.

Claims that employers will be delivered unilateral control over minimum wages, for example, are just plain wrong and completely misrepresent what has been announced.

Claims that employers will be able to fire workers at will or force them on to individual contracts also ignore the retention of unlawful dismissal laws and specific prohibitions against coercion.

It is also disappointing - but telling - that advocates of retaining the status quo rarely mention Australia's unemployed. They take an insider's view of the labour market and ignore the imperative of providing more jobs to more Australians.

Today's doomsayers, who include some labour academics, are the very same voices that predicted dire consequences following the passage of the Workplace Relations Act 1996 - and they have been proved wrong.

On the back of reforms during the 1990s, Australia has recorded significant jobs and real wages growth, declining unemployment, and improved work and family outcomes.

Twelve years of workplace relations reform by both Coalition and Labor governments have

helped deliver the lowest unemployment rate in 28 years and one of the longest sustained rises in real wages in decades.

However, Australia retains a workplace relations system that is still highly regulated by world standards and which limits the ability of employers and employees to negotiate mutually agreed wages and conditions at the workplace level.

Ironically, while happy with the proposed reforms, business does not think they go far enough. After they are implemented, we will still have a more heavily regulated system than the UK or New Zealand. A workplace relations system with greater co-operation and bargaining is the sure route to greater job security and business efficiency.

It will also give the unemployed and underemployed (about 1.2 million people) a better chance of being fully engaged in work.

The present regulatory framework, under which different employees in the same firm may be covered by overlapping, multiple and conflicting state and federal regulation, where laws restrict the bargaining options available in workplaces and where smaller employers can be scared to employ new staff by expensive and time-consuming unfair dismissal processes, actually discourages employment and better conditions.

Australian employers will not be intimidated by this week of union political propaganda nor will we be discouraged from using the new options offered by this legislation.