



# TRANSCRIPT

## BEAZLEY BULLIED INTO AWA BACKFLIP: PM

ACCI Chief Executive Peter Hendy on ABC TV's The 7.30 Report Program - ALP AWA Policy - 12 June 2006.

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### REPORTER: MICHAEL BRISSENDEN

KERRY O'BRIEN: Labor leader Kim Beazley's move to make industrial relations the definitive battleground for the next election. The Prime Minister, John Howard, came out of the box quickly today to denounce Mr Beazley's decision not just to scrap the Government's controversial WorkChoices laws but to dump Australian workplace agreements altogether. It's a move Mr Howard says proves Kim Beazley is still a captive of the union movement and business has criticised the new Labor policy, as well. But it's clearly the foundation the Opposition Leader has chosen to build his campaign on to win government at his third and, whatever happens, final attempt. Shortly, I'll be talking with Kim Beazley but first, this report from political editor Michael Brissenden.

MICHAEL BRISSENDEN: If there ever was any doubt what the battleground for the next election would be, there no longer is. Kim Beazley's declaration to the NSW Labor conference has made sure of that.

KIM BEAZLEY, OPPOSITION LEADER: I believe AWAs are the poison tip of John Howard's industrial relations arrow. I believe AWAs are nothing more than a means to cut wages, cut conditions, undermine decency and fairness in our workplaces. Delegates, I know AWAs can't be fixed. They can't be made good. They must be rejected.

MICHAEL BRISSENDEN: It's a declaration that's clearly popular with the Labor faithful. But more importantly, it's a rare, clear-cut political position that should define Kim Beazley's leadership from now until polling day. It is also without doubt, politically opportunistic but it's a decision based on a firm belief backed, of course, by polling that the Government's WorkChoices legislation is scaring voters, a fear fuelled in no small part by the so far effective union advertising campaign.

ROBERT KIRKMAN, ABATTOIR WORKER, COWRA, NSW COMMERCIAL: After 34 years of service I was sacked and then offered my job back with a 30 per cent pay cut.

JENNIFER GILLIAN, COUNCIL WORKER, BRISBANE, QLD: I was sacked by text message. They didn't give me a reason.

LEONIE WONG, RETAIL, BRISBANE QLD: I refused to sign a contract that cut my pay.

MICHAEL BRISSENDEN: Last night, the latest of the ACTU's emotive TV ads hit the air. The Government says it's a scare campaign. Well, they would say that, wouldn't they? And it wouldn't be the first, but this one will most likely develop into a full-on horror movie by the time the 2007 poll comes around.

WOMAN #1 (COMMERCIAL): So, what did we get?

MAN #1: 1 per cent extra a year for three years, I've lost my penalty rates and I'm on the weekend roster now.

WOMAN #1: Can they do that?

MAN #1: They can now.

VOICEOVER: What will the IR laws cost your family?

MICHAEL BRISSENDEN: Judgments about what is legitimate information and what is a scare campaign will no doubt be a major part of the cut and thrust of politics over the coming months. But the PM has acknowledged that the union campaign has been taking its toll. He told the last joint party room meeting in Canberra that there was some unease in the community about the way the WorkChoices legislation was being depicted. Labor will paint this as a fight for values. The rhetorical parameters have already been set. For Labor, it's a battle between fairness and ideological zeal. The PM's response was just as predictable.

JOHN HOWARD, PRIME MINISTER: Well, ladies and gentlemen, the policy announced yesterday by Mr Beazley to abolish AWAs will attack and reduce the living standards of hundreds of thousands of Australians, aspirational Australians who want the flexibility of Australian Workplace Agreements to earn more and to better blend their work and family lives. This policy declaration by Mr Beazley is union devised, union-driven, the result of weak-kneed behaviour by him in the face of union bullying.

MICHAEL BRISSENDEN: The Labor Leader clearly runs the risk of putting business offside as well. Having spent much of the post-Latham era trying to patch up the relationship, this is likely to set back the rapprochement process. Industry groups, particularly in areas like mining where AWAs have become the norm, say it's bad policy fuelled by - wait for it - ideological obsession. There's a lot of it about.

PETER HENDY, AUSTRALIAN CHAMBER OF COMMERCE & INDUSTRY: It's got more to do with the 19th century than the 21st century. This will do nothing for the credibility of the Labor Party with respect to economic policy.

CHRIS PLATT, AUSTRALIAN MINES & METAL ASSOCIATION: It will have an impact on the close relationship that's between the individual employee and the company in the mining industry. It may well be a Trojan horse to allow the union movement to try and get a foothold in an industry that they're now not prevalent in at all.

MICHAEL BRISSENDEN: Labor has taken a political gamble here. As even Kim Beazley admits there could be more than a million workers on AWAs by next year. But ultimately, it's the most potent political issue he has. He also knows there is a well of uncertainty out there about the impact on individuals of the WorkChoices legislation to be tapped. And nothing changes votes like economic uncertainty.