



BACK TO BAD OLD DAYS OF UNION UNREST

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Plenty is going to be said and written about the industrial relations policy of Kevin Rudd and Julia Gillard, but the real measure of any policy is whether it creates jobs and strengthens the economy. On both scores, what the ALP announced at the weekend is a failure.

It is called Forward with Fairness, but it is neither. It is a capitulation to Greg Combet and the unions on all major issues.

Labor's approach is backward. It reverses more than a decade of industrial reform. For example, it abolishes nearly 1 million Australian workplace agreements, which are the main employment arrangements in Australia's most prosperous industry (mining) and also widely used in small business.

It throws a spanner into the jobs engine of the economy (small business) by reintroducing unfair dismissal laws and centralised awards to be administered by a centralised super agency,

As if this is not enough, it is the proposed laws about union power that go way too far.

On April 17, Rudd made a virtue of the fact that he would keep the Howard government's requirement that secret ballots precede strikes and that wages could not be paid for illegal strikes. One has been the law for 10 years, the other since Work Choices began.

On Saturday, Rudd undid his tough-on-strikes rhetoric. He will allow strikes over union demands for union agreements. Tucked away in the policy is the promise to unions that they will be free to reach agreement on whatever matters suit them. Strikes will not be limited to wages and employment matters. Strikes could be over any matter a union demands.

This means that strikes will be limited only by the imagination of trade union bosses. Strikes could be pulled over union demands that companies don't sell their business, or don't use contractors the union doesn't like, or those that don't have agreements with unions. Strikes could even be taken if a company says no to a union demand that the company pay donations to a favourite union cause such as a political party or some activist group.

Non-unionist employees should be especially worded by this. As recently as 2003 unions demanded companies force every non-unionist employee to pay a fee to the union for the union's bargaining services. The Howard government closed that loophole.

Rudd has just unlocked the door. No wonder Victorian Electrical Trades Union secretary Dean Mighell claimed over the weekend that implementing Rudd's industrial relations policy would be fun.

Also on the horizon is the militancy that will come from the building unions once they are let off the leash. In one short paragraph the policy abolishes laws and structures recommended by the Cole royal commission that cleaned up union behaviour in the building industry.

Employers do not understand why such extreme measures are needed. The Australian economy is strong, living standards are high, disputes are low and unemployment is right down.

To get back power, union bosses are portraying Work Choices as more radical than it is. This has lulled Rudd into thinking that it needs to be countered with a big policy push-back.

Industrial relations policies ultimately have to be paid for. This one will be paid for directly by employers and some employees, but ultimately by the community.

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Australian Chamber of Commerce and Industry