

Who really determines our industrial laws?

Is it the elected government of Australia?

Every week, another horror story of unfair and unjust treatment of workers under these laws is highlighted. We know now that opinion polls suggest 70% of people are opposed to the new industrial laws. Even Federal Finance Minister Nick Minchin has said as much in closed talks with business leaders.

Why then does the government of John Howard pursue a course of changing these laws in a way that so disadvantages the vast majority of Australians ?

Maybe one answer lies in the powerful big business leaders who work together in the **Business Council of Australia**.



Some of the CEOs in the **Business Council of Australia**. Why are they all smiling, you might ask?

What is the Business Council of Australia?

The Business Council of Australia (BCA) consists of the top leaders of the biggest businesses in Australia – the CEO's of the top 100 companies - such as Rio Tinto, Qantas, Shell, National Australia Bank, Toyota, Westpac, Woolworths, Alcoa etc.

There are no voices of workers amongst them. There are no voices of small or medium businesses amongst them

They produce plans for government policies, and lobby governments.... successfully!

The BCA laid out their plans for what they called an improved industrial relations system in 1998, in a document entitled *Building Cooperative and Productive Workplaces*. They refined these ideas over the following 6 years, into a further document entitled *The BCA Workplace Relations Action Plan* in Feb 2005. They have close and cordial relations with John Howard's Coalition Government.

The government Workchoices laws, introduced in February 2006, are remarkably similar to these BCA plans published 12 months earlier.

This tables below highlight this close comparison.

BCA Plans in 2005

Set up a committee to set **minimum wages**

Reduce **allowable matters** in awards

Simplify Agreements

Reform **AWA's** and collective agreements

Reduce the role of the **Industrial Relations Commission**

Reduce the extent of **Unfair dismissal** Laws

National workplace relations system

More limits on **industrial action**

Workchoices Law in 2006...

A Fair Pay Commission to set minimum wages

Reduces the guaranteed award conditions

Simplifies Agreements

Removes the no-disadvantage test from **AWAs** and collective agreements

Reduces the role of the Industrial Relations Commission

Reduces the extent of Unfair dismissal Laws

National workplace relations system

Severely limits any industrial action

The BCA has a very strong interest in protecting the profits of big multinationals by ensuring that workers have minimal wages and conditions – and in destroying the organisations that these workers rely on – their unions.

Some Detailed Comparisons

More “Flexibility”

In arguing for more flexibility in making agreements between workers and management, the BCA said that

The view of the BCA is that the allowable matters in Federal awards could be reduced from the current 20 matters to six:

- *Minimum rates of pay – adult, junior, apprentice*
- *Sick leave*
- *Annual leave (excluding loadings)*
- *Personal/carers leave*
- *Parental leave*
- *Dispute resolution*

The Workchoices Laws provide for five minimum conditions:

- *Minimum rates of pay*
- *Personal/carers/sick leave of 10 days per year*
- *Annual leave of 4 weeks per year.*
- *Parental Leave, 12 months unpaid*
- *Maximum ordinary hours of work (38) averaged over the year.*

Reforming Safety Net Wages

Minimum wages have traditionally been determined by the Industrial Relations Commission, after submissions from unions, employers and government. The minimum wage was defined in the 1920's by the “Harvester” judgement to be the wage necessary to sustain a typical family.

The BCA argued that

Minimum standards and minimum wage increases should be determined by a minimum wage board or committee, which would then be required to make recommendations to the Federal Government for their approval.

The Workchoices laws provide that

A new body called the Australian Fair Pay Commission will be established to set minimum wages rates. This new body will not be required to hear submissions from workers representatives

Weakening of Unfair Dismissal Laws

The current laws require only that employers treat workers fairly if they have legitimate reasons for sacking the worker.

The BCA argues

the Government should review the costs and benefits of Australia's unfair dismissal provisions and identify the scope for further reform

The Workchoices laws *remove all unfair dismissal laws for companies with less than 100 workers*, and require only that companies with more than 100 workers have "*operational reasons*" if they dismiss a worker.

Industrial Action

The BCA argues that

Processes around unprotected action should be strengthened and streamlined to ensure swift resolution and the ability for business to seek damages in all cases of unprotected action.

The Workchoices laws make it in practice so difficult for workers to take industrial action that in effect almost all industrial action will be unlawful. Third parties including the Minister for Employment can intervene to stop industrial action.

There is no requirement for the employer to follow the new laws on industrial action, they can lock workers out with 72 hours notice and don't have to bargain in good faith on working conditions.

What these comparisons show:

The Federal Government has complied with virtually ALL of the prescriptions which were laid out in previous years by the leaders of big business. In some cases they have gone even further.

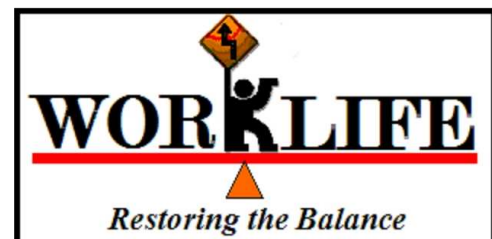
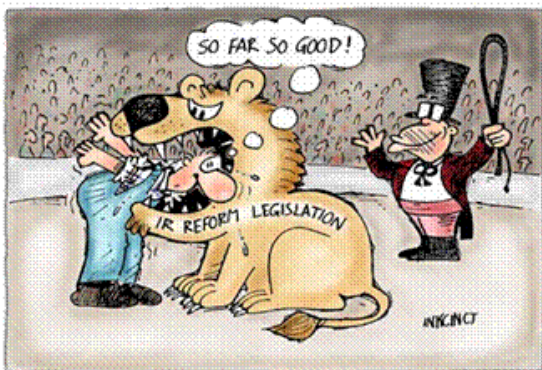
The new laws may well suit the interests of the tiny number of people who own and control these big businesses.

However the laws are against the interests of the more than one million workers whose labour produces the profits of those businesses.

The laws are also against the interests of the 5-6 million workers in smaller businesses around Australia, who will suffer directly under the new provisions.

The laws are also against the interests of the 1 million or so small business people who will be forced to reduce the wages and conditions of their employees, just so they can compete and stay afloat.

It is time for Australians to work together to overturn these unjust laws!



An alliance of community and social action groups, trade unionists and concerned individuals campaigning to raise awareness in the community about our rights to a fair, just and dignified life at work (whether currently employed or out of work) and after work in leisure and family time.

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