

Australia's corporate media praises Labor's modified IR package

Richard Phillips
4 September 2007

On August 28, after months of cajoling by the corporate media and high-level discussions with employer groups and mining companies, the Australian Labor Party released a modified version of its *Forward with Fairness* industrial relations program.

While Labor leader Kevin Rudd and his deputy Julia Gillard repeated ad nauseum “fairness,” “balance” and “getting the mix right,” the new policy has nothing to do with “balance” and is little different from the Howard government’s hated WorkChoices laws. The clear message to Australia’s business elite is that Labor, if elected, will optimise profits for big business by maintaining the ongoing assault on jobs, living standards and the union rights of working people.

According to recent figures, by the end of 2006 up to 1,000 workers per day were being driven into WorkChoice’s Australian Workplace Agreements (AWAs) or statutory non-union individual work contracts. More than 75 percent of existing AWAs have cut shift allowances, 68 percent have eliminated penalty rates and 52 percent excluded public holiday pay. A briefing paper from the Department of Employment and Workplace Relations and leaked to the press last month admitted that the Howard government’s industrial relations laws had caused “widespread feelings of panic, fear and insecurity” amongst working people.

Despite this damning evidence and the deep-seated concern of workers and their families, who have consistently turned out in their tens of thousands in national protests against WorkChoices, Labor has promised to maintain AWAs until December 31, 2012. This means that workers already trapped in AWAs will remain legally bound to the exploitative contracts for at least another five years.

Moreover, Labor will allow companies to drag employees into short-term AWAs or so-called Individual Transitional Employment Agreements for another two

years until December 2009.

AWAs could not be abolished “overnight,” Rudd and Gillard declared, because they were lawful and employers had acted in “good faith.” Any move to quickly repeal them would “undermine reasonable business planning” and “certainty.”

The Labor leadership, of course, voiced no such concerns for the wellbeing of the thousands of workers who have been forced to sign AWAs after being threatened with dismissal, or of those throughout the country who have been dismissed and then rehired on lower rates of pay and harsher working conditions.

Labor intends to introduce Fair Work Australia, its new industrial award system, by January 2010. The system is supposed to guarantee 10 national employment standards, including protected hours of work, parental leave, annual leave, public holidays and redundancy. Gillard emphasised, however, that Labor’s “employment standards” would be developed in consultation with employer groups and that every award would have a “flexibility clause.” This will include allowing employees to negotiate individual contracts in workplaces where collective enterprise agreements have been established.

Another aspect of Labor’s modified policy is the abolition of awards for all employees earning more than \$100,000 per annum. This was necessary, according to Rudd and Gillard, because such workers were capable of “looking after themselves.”

Labor will also maintain existing anti-union laws. In a section of the modified document entitled “Certainty and Stability,” the party declares it will crack down on “unauthorised” strike action, secondary boycotts and pattern- or industry-wide wage contract bargaining.

Like Howard’s WorkChoice laws, Labor’s policy will only allow industrial action during contract bargaining periods and, even then, only after a mandatory secret ballot. Industrial action outside these rules will be dealt

with ruthlessly through the courts, fast-tracking employers' prosecutions against striking union members.

Union organisers will not be allowed to enter worksites unless they give 24 hours notice to management and hold an officially authorised "right of entry" permit. This authorisation can be revoked if the Australian Industrial Registry determines that certain union officials are no longer "fit and proper" to hold a permit.

A new Labor government would also retain the Australian Building and Construction Commission (ABCC), which has far-reaching powers to enforce the anti-strike and other punitive measures in the building industry, until 2010.

After that, while the ABCC will be replaced by a specialist division of Fair Work Australia, the same anti-democratic measures will apply. Fair Work Australia would also be empowered to suppress industrial action in any industry at any time, including during a stipulated bargaining period, and to impose a settlement in the course of a dispute.

And just to hammer home the point, Julia Gillard told ABC-TV "Lateline" on Tuesday night that a Labor government would not hesitate to crush "unlawful" strikes. Asked whether this could involve "strike-breaking," she replied, "Absolutely.... We don't want to see industrial action ... [unauthorised] industrial action, for whatever cause it is taken, is not protected and people should expect to feel the full force of the law."

Small business lobby groups have attacked Labor because its revamped industrial relations policies allow workers to pursue unfair dismissal claims in companies with fewer than 15 employees. Notwithstanding hysterical statements from small business councils this week about "union domination," the protections offered to workers under Labor's measures are virtually non-existent. Small businesses will be protected from unfair dismissal claims if they sack workers who have been employed for less than 12 months. They will also be able to make staff redundant without redundancy payments, whatever the length of employment, if they can demonstrate that the business has suffered a downturn, or has a reduced need for staff due to the introduction of new technology.

Small companies will also be allowed to sack workers without risking unfair dismissal claims if they have reported them to police for suspected theft or violence in the workplace. No charges need to be laid, nor would employers have to provide police with any direct evidence of theft or violence. And even if a worker wins in court (after funding his or her own legal case), reinstatement

will not be required if it is "not in the interests" of the business.

Mining and other big business peak councils responded to Labor's new industrial relations policies with continued criticism, declaring that the party's decision to maintain AWAs for another five years, along with other measures, did "not go far enough."

Some key companies, however, have praised the policy. BHP Billiton, one of Australia's largest mining and resource corporations, for example, issued an official company statement noting that Labor had made "considerable policy progress" and welcoming its "consultative process."

Australia's corporate media was fulsome in its praise. An *Age* newspaper editorial on August 29 declared that Labor's policy was "clever," "forward thinking" and "flexible," while Rupert Murdoch's *Australian* hailed Labor in a lengthy editorial entitled "Rudd's IR plan is Labor's best offer."

The *Australian* declared that Rudd had "done well in preserving business safeguards and individual contracts for the high-paid" and then published a series of comments over the next two days debunking claims by Howard government officials that Labor in power would lead to a "dangerous revival" of the trade unions. The comments, which were titled "The sky is not falling—Claims that Labor's IR policy will damage the economy are laughable" and "Scare campaign a red herring," made clear that the Murdoch media has decided to give the Laborites the thumbs up.

Having led corporate demands over the past year for Labor to modify its attitude to AWAs and other elements of WorkChoices, the Murdoch press now appears to be convinced that Rudd and co. can be trusted to unleash the next round of attacks on the working class.



To contact the WSWs and the Socialist Equality Party visit:

wsws.org/contact