# Australian government launches major assault on workers' conditions and rights

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A 68-page booklet, entitled "Workchoices: A new workplace relations system," released on the weekend of October 8-9 confirms the sweeping attacks on working conditions and workers' rights at the core of the Howard government's draconian industrial relations (IR) "reforms", due to go before parliament later this month.

On the eve of the booklet's release, Prime Minister John Howard and Workplace Relations Minister Kevin Andrews met with leading employer bodies in a one-hour locked-down session to ensure that details of the final draft legislation met with their approval.

The briefing put to rest any worries the business leaders may have had that large nationwide demonstrations against the IR reforms on June 30 and July 1, and an intensive union advertising campaign, could have persuaded the government to effect a retreat.

Reports of compromises and concessions were nothing more than a repackaging job by government spin doctors to create the illusion that a range of existing conditions—public holidays, annual leave loading, meal breaks, shift penalties, overtime rates and redundancy payments—would be "protected" under the legislation.

Looking beyond the spin it becomes clear that such conditions are in fact up for grabs. Under the legislation some, or all, can be included as "specific provisions" at the employer's discretion in negotiations for a new work agreement and workers forced to trade them away. Only those conditions not included in bargaining, or that remain after the process is completed, would continue to be "protected" by law.

This was revealed when Andrews came under questioning by the Australian Broadcasting Corporation (ABC) Lateline's Tony Jones on October 10. Jones read out a statement saying "if somebody makes a capital investment in this country, they should be able to run that capital investment 24 hours a day, 7 days a week, 365 days a year, without penalty, as to the time of day or night they run that investment". He asked Andrews how much of the statement he agreed with.

Attempting to skirt the question, Andrews answered: "Well, what I would say is it's important in terms of the capital investment that people make in Australia that they can get a return on that, because if they don't, they will go elsewhere around the world." To Andrews' embarrassment, Jones revealed that Howard had made the statement in 1992 when in opposition, explaining the Coalition's vision of industrial relations reform.

The statement more than confirms that the five remaining "allowable items," such as a base 38-hour week, four weeks annual leave, ten days personal or carer's leave and 52 weeks unpaid parental leave will not remain sacrosanct for long. In fact, while the new measures stipulate a maximum of 38 ordinary hours per week, employers can demand that this be averaged out over an entire year, creating the conditions for a massive extension of the working day that would drastically reduce overtime payments.

The "Workchoices" booklet also makes clear that the purpose of the legislation is to create the conditions to herd millions of workers onto individual Australian Workplace Agreements (AWAs), with inferior conditions and wages. To facilitate this, the legislation will junk the present "no disadvantage test," a loosely defined requirement on employers to show that workers placed on AWAs would be no worse off than those on an equivalent award. As well, AWAs will no longer be subject to even the present cursory scrutiny by the pro-government Office of Employment Advocate before being registered. Instead, employers will only need to provide a statutory declaration that an agreement does not breach existing labour laws. The agreement will then immediately come into effect once signed.

The legislation will enable employers to make job offers conditional on applicants accepting an AWA that forgoes a raft of working conditions. Giving an idea of how this will be done, the "Workchoices" document cites an imaginary case of a young job seeker, Billy. It openly declares, "Billy wants to get a foothold in the jobs market, he agrees to the AWA", which removes public holidays, rest breaks, bonuses, leave loading, penalty rates and shift and overtime loading.

"Workchoices" confirms all of the key changes that have been widely publicised, including abolition of the present minimal unfair dismissal laws covering some 5 million workers—two thirds of the country's workforce—in small businesses employing up to 100 people. Workers will only be able to appeal being sacked if they can prove it was due to discrimination—an almost impossible requirement under conditions where the majority of employers can fire at will, with no explanation.

As well, the legislation will see the traditional wage-fixing jurisdiction of the Australian Industrial Relations Commission (AIRC) transferred to a business-dominated five-person Fair Pay Commission (FPC). The role of the AIRC will be largely confined to mediating industrial disputes, while state arbitration systems will be rolled into one national system.

In order to drive down wages, the FPC will be required to determine minimum and other rates of pay on the basis of productivity levels, business viability or the so-called ability of companies to pay. Unlike AIRC commissioners, the FPC appointees will not have tenure. This means that if the government is dissatisfied with their decisions, they can be easily removed and replaced.

On the question of workers' rights, the legislation goes even further than the measures outlined by Howard in May. Retained are enforced secret ballots conducted by the Australian Electoral Commission before strikes can proceed, including in the case of so-called "protected" industrial action during the bargaining period for new collective work agreements. Added to this, far-reaching "essential services" powers will be given to the workplace relations minister, allowing him to order an end to strikes and industrial action in so-called essential industries or if he deems them to be a threat to "public welfare" or damaging to "the economy".

Since, by definition, all strikes impact one way or another on the "economy"—that is, on the ability of employers to conduct business and make profits—the minister can, in reality, make any strike illegal and even

outlaw work bans.

The legislation will allow a "third party" affected in any way by a strike to apply to a court to have it legally terminated. Employers will also gain speedier access to courts to apply for damages from both unions and workers resulting from industrial action. Courts will no longer need to hear evidence of commercial damage. They will only need to be satisfied there is a "serious question" to be tried in order to grant an interim injunction.

Unions will face greater restrictions on entering workplaces. Where they have no members, they will not be allowed to enter at all. While unions can be appointed as bargaining agents for AWAs, they will have no right of entry for the purpose of discussion with employees once they have signed up.

For a union official to enter a workplace to investigate employer breaches of an AWA, the written consent of an employee or party to the agreement will have to be obtained first. Employers will therefore know the identity of any worker making a complaint, opening the worker up to victimisation.

While virtually salivating over the prospects of greater levels of exploitation under the new IR regime, representatives of big business have nonetheless let the government know it needs to go further. Australian Chamber of Commerce and Industry chief executive Peter Hendy heralded the IR "reforms" as a "further welcome step from the old system of arbitration towards a new system of agreement making". Saying the changes "did not go far enough", Hendy declared he would rather have the government itself solely responsible for setting wages.

Howard reassured the corporate chiefs he had every intention of going further, declaring that the reform process was "a race towards an ever receding finishing line". "You have to keep going," he said, "not because you think you will ever reach that finishing line—frustratingly you won't—but if you don't keep going the other people in the race...will run past you."

This was a reiteration of a position put by Howard to the Sydney Institute on workplace relations reform in July. Confirming that the purpose of IR reform was to satisfy employer demands for never-ending "productivity growth" in order to compete, Howard declared, "perseverance with workplace reform is essential if we are to narrow this productivity gap further and respond to challenges such as the rise of China and India as great powers".

In other words, to attract globally mobile capital, the brutal levels of exploitation associated with the low-wage regimes in China and India are the benchmark for a never-ending assault on the conditions and wages of workers in Australia. Of course, the process is "a race towards an ever-receding finishing line" because the same global investors are demanding the ongoing lowering of workers' conditions in India and China, to ensure the best return on investor capital.

While speaking frankly to big business, Howard and his spin-doctors have been at pains to cover up the real consequences of the IR reforms for working people. "Workchoices" was launched last week in a $100 million publicly-funded advertising blitz aimed at selling them as family-friendly and job creating.

The prime minister has personally gone to air to dismiss mounting charges by community organisations, charities, church representatives and unions that the new IR regime will remove all impediments to employers tearing up long-standing working conditions.

To counter the contention, Howard pointed to declines in the official unemployment rate, insisting: "As never before in this country, what we live in is a workers' market. That is something that has to be kept constantly in mind as we examine these reforms."

The "workers market" is pure myth. While official unemployment in Australia stands at just over 5 percent, this has been achieved through the creation of tens of thousands of poorly-paid causal and part-time jobs, with inferior working conditions, at the expense of full-time jobs. An Australian Bureau of Statistics survey at the end of September last year showed that under-employment stands at close to 20 percent, with around 1.85 million Australians wanting to work more hours.

The miniscule wage increases won by the majority of workers over the last period also expose the "workers' market" claim. While Howard insists that workers have received a real pay increase of 14 percent since 1998, research by the University of Sydney's Centre for Industrial Relations Research revealed that only the top 10 percent of wage earners received increases anywhere near this amount.

The research showed that the average real pay increase was 3.6 percent, while the median was 2.6 percent with the bottom 20 percent of wage earners receiving just 1.2 percent. In many cases, even to get these pittances workers were required to trade off conditions or deliver productivity.

The existence of an increasing pool of unemployed and underemployed, together with the removal of even minimal legal protections under the new IR regime, will allow employers to ever more ruthlessly attack working conditions and wages.

While Labor leader Kim Beazley declared he would fight the IR legislation every day right up to the next election, his declarations are entirely theatrical. Labor cannot mount any genuine opposition to the IR changes because it agrees fully with Howard's underlying economic agenda.

In fact, Howard's "ever receding finishing line" is a direct continuation of the Hawke and Keating Labor governments' drive for "international competitiveness" and "world's best practice" under which they conducted a 13-year long assault on the conditions and rights of the working class.

Beazley only insists that moving away from the present arbitration system, based on the AIRC and enshrining the position of the unions, is unnecessary because the unions have delivered so well on the demands of corporate Australia.

Under both Labor and Liberal governments, at federal and state levels, the unions have acted as the most reliable agencies for policing the working class and imposing the demands of big business. But this is no longer enough. Even the process of union negotiation and arbitration—used to divert workers and, in the end, produce the outcomes demanded—is viewed by employers as an intolerable restriction on their ability to impose the rapid changes required by global competitors.

The unions are also incapable of leading a fight against the IR laws. The maintenance of their own privileged positions in the current industrial framework, not the conditions of ordinary working people, was the motivation behind the Australian Council of Trade Unions (ACTU) and its affiliates calling national demonstrations against the IR reforms in July.

Worried that further mobilisations could get out of union control, only a limited "day of action" is planned for November 15, when the legislation is due to be cleared by both houses of parliament. The ACTU hopes that, after that date, opposition will be contained to parliamentary manoeuvres and to putting pressure on individual employers to keep dealing with the unions.

Last week, ACTU president Sharan Burrows called for a Senate inquiry into the IR legislation and for workers to appeal to "National and Liberal Party senators" to vote against it, claiming they were "the people who can make a difference".

Such appeals are entirely impotent. The corporate elite has too much riding on the IR reforms to brook any opposition, no matter how mild, from its political servants. The *Australian Financial Review's* October 10 editorial made this crystal clear. While declaring that the government was "in for a torrid time" over the IR reforms, it warned, "squibbing on it is not an option because it would reduce the benefits of other necessary reforms in tax and welfare, health and education, and infrastructure funding".

The new IR legislation serves to underscore the fact that the working class itself faces major political tasks. In order to defend its most fundamental rights—to decent and secure jobs and working conditions—it confronts the need to carry through nothing less than the complete refashioning of society from top to bottom in the interests of the vast mass of working people, not the privileged and wealthy few. This, in turn, requires the forging of a new independent political movement of the working class based on a socialist and internationalist perspective. That is the program fought for by the Socialist Equality Party and the *World Socialist Web Site*.