Australia: Employers rush to use draconian new industrial relations laws

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Within days of the Howard government's draconian new industrial relations laws, WorkChoices, becoming operational on March 27, employers have carried out a spate of sackings, making indisputably clear the real agenda behind the legislation.

The new laws, passed through parliament last November, allow for the dismantling of longstanding working conditions, abolish limited laws protecting workers in small industries from unfair dismissals, and undermine what is left of the right to take industrial action.

The latest round of sackings has been led by the Cowra Abattoir in central western New South Wales, where 29 workers were dismissed on April 3. The employer issued the workers with termination notices and then invited them to reapply for just 20 positions with a pay cut of up to $180 a week and the loss of performance bonuses.

In the glare of media publicity the government was forced to back an intervention by its own Office of Workplace Services (OWS) to push the Cowra management to reinstate the workers. The company, however, maintains that it carried out the layoffs for "operational reasons"—now allowed by the new legislation—flowing from its need to restructure two production lines.

Other sackings include nine long-term workers, all union members, at Triangle Cables in Port Melbourne. The company had 99 employees making it exempt, under the new laws, from unfair dismissal provisions. Six of the nine workers were on injury compensation at the time. Melbourne cabinet installation company IntallE sacked three workers and offered them casual positions on lower pay.

South Australia's peak union body, SA Unions, reported that in the first days after the laws becoming operative, 18 workers had rung its hotline complaining they had been sacked unfairly. Also in South Australia, an electrical contracting company sacked two third-year apprentices, along with three other workers.

The apprentice sackings have wider implications, suggesting that the new industrial relations laws may be used to override South Australia's Training and Skills Act. This requires any employers who are unable to keep their apprentices on, to negotiate with the appropriate government department and have the apprentice's contract suspended or transferred to another employer.

On March 29, Tooheys Brewery cancelled the contracts of 60 delivery drivers as of July, and a receptionist in a Sydney medical centre was sacked despite more than 20 years' service when she attempted to negotiate a new work contract.

Ramada Pelican Waters Hotel on Queensland's Sunshine Coast sacked a longstanding full-time housekeeper, reemploying her as a casual and Nanango Shire Council in rural Queensland dismissed a librarian of 14 years standing, informing her by fax.

The new laws have also been used to deny 90 employees in the Australian Valuation Office the right to stay on collective work agreements. Management told them that under the new IR laws they had no choice but to accept individual Australian Workplace Agreements (AWAs). Under an AWA some officers will have their annual pay slashed by $17,000.

At the same time, construction giant John Holland ended negotiations for a collective agreement with workers on its new $160 million jetty project at Port Hedland in Western Australia and imposed individual work agreements whose details have not yet been made public.

According to a spokesman for the Australian Council of Trade Unions (ACTU), these sackings are only the "tip of the iceberg".

He told the *World Socialist Web Site* that many dismissals are going unreported and that even those

workers who have made complaints have not wanted their sacking publicised for fear of discrimination when looking for future employment. While declining to give specific figures or examples, the spokesman claimed that complaints to the ACTU call centre about unfair dismissals or "sham redundancies" had "risen substantially" since the beginning of the month.

Worried that the push to exploit the new IR provisions would stoke up the already deep-seated public hostility to them, provoking widespread industrial and social opposition, the Howard government went into damage control mode last week.

A clearly flustered Industrial Relations Minister Kevin Andrews told ABC Television "in a couple of cases employers may have jumped the gun". He cautioned employers to "get some advice" on how to apply the legislation.

Andrews' remarks are significant. They make clear that the government's insistence that operations like the one carried out by the Cowra Abattoir are unnecessary has nothing to do with opposing the sacking of workers or the dismantling of working conditions. Rather, the government is arguing that the new IR laws provide unprecedented scope for any company to achieve its ends.

Nevertheless, Andrews is anxious to avoid any further slip-ups by over-zealous employers. There is always the possibility of a long drawn-out and costly legal challenge, which might have the effect of discouraging other companies from fully utilising the IR laws.

In an effort to quickly defuse the Cowra Abattoir affair, the minister claimed that the reinstatements, carried out at the insistence of the Office of Workplace Services, "puts paid to criticism" that there were "no protections for employees under the legislation".

The reality is that under WorkChoices, companies employing less than 100 employees are no longer subject to unfair dismissal provisions and can sack workers without explanation. Larger firms can get rid of employees by simply referring to the intentionally vague justification of "operational reasons".

Whether sacked workers can be immediately rehired on inferior conditions is still unclear, but the new laws certainly allow employers to strip back a whole range of previously "protected" conditions when existing enterprise agreements come up for renegotiation.

Everything outside of five basic items—a base 38-hour week, four weeks annual leave, ten days personal leave and 52 weeks unpaid parental leave—is now up for grabs, including penalty rates, shift and overtime allowances and holiday leave loadings. Even the base wage and working week can be averaged out over an extended period.

The implications of the new laws was underscored by media reports last week of remarks made by leading lawyer Anthony Longland—a partner in Freehills, the firm that drafted the WorkChoices legislation—to a Sydney LawFinance conference last month. Longland said that any provisions in the legislation supposedly there to safeguard employees' rights were, in fact, nothing but "smoke and mirrors".

The ACTU has responded to the growing outrage on the part of workers by restricting all opposition to the new laws to limited protests, aimed at augmenting its campaign for the election of a Labor government at the next federal election.

And despite its emphasis on the importance of a future Labor government, the peak union body has already shifted away from its previous position of committing such a government to the abolition of WorkChoices and to the restoration of the old limited protections.

Asked on ABC-TV's "Insiders" whether he would demand a future Labor government "return to the status quo or do you accept there will be changes", ACTU president Greg Combet replied that the new laws "will be hard eggs to unscramble at the end of the day".

Combet revealed the ACTU's main concern when he insisted that the right to collective bargaining—that is, the unions' role as labour bargaining agencies—should be "enshrined properly in the law". At the same time, he made only a vague call for Labor to establish "an effective and strong safety net" and "protection against unfair treatment" but advanced no specific demands.

Combet went on to pointedly declare that the ACTU "understands the economy is open and there's a lot of competitive pressure in many industries." This statement amounts to nothing less than a coded assurance to employers that, notwithstanding the ACTU's loud condemnations of the IR laws, the unions can, in the final analysis, be relied upon to enforce them—not only in the current period, but also in collaboration with any future Labor government.