

# Australia: Kim Beazley, the trade unions and Howard's WorkChoices legislation

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In a surprise announcement on June 11, Australian Labor leader Kim Beazley promised that a future federal Labor government would “rip up” the conservative Howard government’s new WorkChoices industrial relations laws and abolish individual Australian Workplace Agreements (AWAs).

The pledge was delivered to a gathering of well-heeled politicians, union bureaucrats and party apparatchiks making up the majority of the 800 delegates at the annual New South Wales State Labor conference. “The party I lead,” Beazley announced, “will unashamedly be the party of collective bargaining and collective agreements.”

On leaving the podium the Labor leader was surrounded by an ecstatic gaggle of union and party officials eager to shake his hand and slap his back. Then, for the benefit of whirring television cameras, he was crowned with a construction worker’s hard-hat covered in union stickers, a prop that had, it appears, been specially brought along for the occasion.

The impression was that Beazley and those who thronged around him were champions of the working class. Nothing could, in fact, be further from the truth. In reality, Beazley’s pledge on AWAs was motivated by something very different from a desire to defend the conditions and rights of ordinary working people.

Among other things, his declaration was a cynical move designed to shore up his collapsing support, and ward off growing criticism—including a possible leadership challenge—from sections of the union bureaucracy particularly centred in New South Wales (NSW). With this in mind, he chose the NSW conference to publicly announce a decision that had been made some two weeks earlier.

Beazley’s popularity rating in the general community has plummeted to an all-time low, far below that of any previous Labor leader. At the same time, the vast majority of working people are deeply hostile to the Howard government’s new industrial relations laws, which allow employers to impose individual work agreements (AWAs) that strip away previously protected award conditions such as penalty rates, shift allowances, rest breaks, holiday leave loading and some public holidays.

A Labor Party poll, conducted between May 29 and June 5, just one week before the NSW Labor conference showed the majority of people interviewed believed the new industrial relations laws would lower wages, adversely affect working conditions and give employers too much power.

The results confirmed that the widespread opposition expressed

in polling in February and March remained. The earlier polls showed 62 percent of respondents were convinced they would be worse off under individual contracts, while 30 percent said they would be “much worse off”. Beazley is hoping to drag Labor across the line at next year’s federal election by appealing, in even a limited way, to this broad sentiment.

His announcement marked a sharp shift from his previous stance, which had clearly irked key union figures. Anxious to present Labor as ever-compliant to the demands of big business, Beazley had refused to commit to abolishing AWAs, which are struck without union participation. In a television interview last October he declared: “There’ll be millions of those things (AWAs) in place when we come to office, and you can’t wander around canceling contracts.”

Unions NSW Secretary John Robertson, a vociferous Beazley critic who suggested, not all that long ago, that the Labor leader was unelectable, responded by saying “If yesterday’s [June 11 statement to scrap AWAs] purpose was to secure his job, it served him well.” He added, “He certainly never made statements like that prior to today.”

While delighting the unions, the pledge provoked a furor among powerful sections of employers looking to entrench the use of AWAs, having already been buoyed by other provisions in the recently introduced WorkChoices that further savage working conditions and jobs.

Rupert Murdoch’s the *Australian*—a leading advocate of ever-more draconian industrial relations provisions—condemned Beazley’s change of heart in a stinging editorial on June 13, warning that the new policy jeopardised “Labor’s relationship with the big end of town”. Labor, the editorial declared, was now “vulnerable to the charge of being a reckless economic manager”.

Australian Chamber of Commerce chief executive Peter Hendy described Beazley’s promise as a “significant step backwards,” declaring: “They [Labor] should be thinking more about the 21st century than the 19th century.” It is, of course, Hendy and his big-business colleagues who are trying to reestablish the kind of nineteenth century conditions that prevailed before the working class, through years of bitter struggles, managed to abolish some of the worst forms of capitalist exploitation.

Anxious to hose down these concerns, Beazley rushed to announce on Channel Ten’s “Meet the Press” on June 17 that employers could still “get all the flexibility needed through collective agreements”, adding “more and more collective

agreements have within them greater capacity for individualism”.

In other words, whatever Labor did with the new industrial relations laws, employers could still count on union-negotiated collective agreements (Enterprise Work Agreements) to deliver whatever concessions they needed to meet their specific production and profit requirements. Everything was possible, provided the unions were kept in the industrial relations loop.

To push the message home, Labor’s industrial relations spokesman Stephen Smith told ABC’s “Lateline” on June 21 that Labor was “absolutely confident that the flexibilities that are currently there, if they are genuinely about operational flexibilities, to keep us internationally competitive, to keep us productive, then our proposed system will retain that”. That is, the provisions now contained in AWAs will remain, regardless of whatever new agreements are struck.

Beazley has, in fact, confirmed that existing AWAs—presently covering around 544,000 people, (the number is expected to double, or even triple, before the next election) and most with a life span of between three to five years—would continue in force until their expiry date. Employers could then sign workers over to individual common law work contracts that currently cover around 30 percent of the workforce.

The unions’ newfound promotion of Beazley demonstrates, yet again, that their concern has never been the defence of hard-won working conditions. Their opposition to Howard’s industrial relations laws has always centred on defending their own privileged position as the sole labour bargaining agencies. The old industrial relations set-up provided, as well, a well-trodden path for union bureaucrats to pursue lucrative parliamentary, managerial and judicial careers.

For the past two decades, the unions have been indispensable to big business as enforcers of savage cuts in jobs and working conditions. The very basis for Howard’s new regime was, in fact, laid down by the Hawke-Keating Labor governments and the trade unions themselves.

Under a series of Accords throughout the 1980s, the Australian Council of Trade Unions (ACTU) collaborated with the Hawke government to implement its free market program under the banner of making Australian workers “internationally competitive”. This involved the elimination of hundreds of thousands of jobs and the destruction of longstanding working conditions, creating fundamental changes in the workplace.

In 1993, the Keating Labor government introduced “enterprise bargaining” (EBAs) to replace national and industry-wide awards with agreements struck at individual workplaces or companies. The effect was to undermine and break up workers’ solidarity.

Union collaboration continued under the Howard government after it came to office in 1996. In that year, the ACTU sabotaged the struggle of workers to oppose Howard’s Workplace Relations Act, calling off even its limited campaign after workers stormed parliament house in Canberra. Then, when the government brought in its second-wave Workplace Relations laws in 1999, reducing the number of guaranteed award conditions to just 20, the unions negotiated and enforced EBAs in accordance with the new requirements.

Despite their record of collaboration, many sections of

employers now view the unions’ sometimes lengthy negotiations over union agreements as an unacceptable obstacle to the rapid changes they want in an increasingly competitive climate. That is why they are turning to other means.

The ACTU is currently hard at work drawing up proposals for what Labor must include in its alternative industrial legislation. These will go to the ACTU congress in October and then be submitted to Labor’s national conference next April.

On safeguarding workers’ conditions, ACTU secretary Greg Combet was deliberately vague. He referred only to “a decent safety net: minimum pay, minimum employment standards that would underpin the labour market for everyone”.

Workers have a right to ask: what level of minimal pay? What minimum employment standards? Was Combet perhaps referring to the minimal standards, minimal conditions and abysmal pay rates presently contained in many thousands of union-negotiated EBAs? These agreements include extended working hours, 12-hour shifts and the abolition of a raft of protective work practices, aimed at massively increasing workplace flexibility. The current minimum wage, negotiated via the ACTU’s annual national wage case and covering 1.6 million low paid workers—20 percent of the Australian workforce—amounts to \$484 a week, well below the minimum required for the basic necessities of life.

Far more concrete are the ACTU’s proposals for protecting the interests and privileges of the trade union bureaucracy, including the reestablishment of an “independent industrial arbiter” and the recognition in law of the unions as the major labour bargaining agencies.

Also topping the ACTU’s list is the reestablishment of the right of entry of union officials to work sites, paid leave for union training, and, of course, the right to have union dues deducted directly from workers’ pay. The latter two demands are crucial to ensuring the pay and conditions of the current generation of union bureaucrats and to prepare the groundwork for the next.



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