

# Australia: Big business and unions line up behind Labor's "fair work" laws

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In a revealing display of unity, business, unions and the federal Opposition have endorsed the Rudd government's Fair Work Bill, which went before parliament last week after nearly a year of pro-business "fine tuning". Introducing the Bill, Minister for Employment and Workplace Relations Julia Gillard fraudulently declared that it "fairly balanced worker and business rights".

The country's two largest business groups, the Australian Chamber of Commerce and Industry (ACCI) and the Australian Industry Group (AIG), called the legislation a "workable compromise". Australian Council of Trade Unions (ACTU) president Sharon Burrow said the Bill "marks an historic turning point in restoring workers' rights". Federal Opposition leader Malcolm Turnbull announced that the Coalition would not oppose the legislation because the government had a mandate to enact it.

This line up demonstrates one thing—all of them share a common concern to have the means at their disposal to straitjacket the working class in the face of a deepening assault on jobs, wages and working conditions.

For all intents and purposes, Labor's legislation marks a seamless transition from the Howard government's WorkChoices laws, which were universally hated by working people and became a major factor in Howard's landslide defeat. Former workplace relations minister Kevin Andrews told the media that Labor "had kept 70 percent of the Coalition's policy in its new bill," adding: "The basic structure of what we had is still there."

Even so, sections of the media and corporate establishment are clamouring for changes. Rupert Murdoch's *Australian* newspaper has launched a major campaign, calling on Prime Minister Kevin Rudd to modify aspects of the Bill. An editorial on December 3 urged Rudd to again "step in"—as he did at the newspaper's behest last year—to ensure that Labor's measures retained the "more flexible, deregulated bargaining system" established by the Accords between the previous Labor government and the trade unions during the 1980s and 1990s.

The newspaper claimed that a new multi-employer bargaining stream for low-paid workers could open the way for "pattern bargaining," encouraging unions to drop enterprise bargaining and push for industry-wide agreements.

Gillard has already pledged to "crack down" on any industry-wide bargaining and the new laws prohibit low-paid workers from taking industrial action. The furor is really over the suggestion that low-paid workers have any access to bargaining, no matter how limited. More fundamentally, the *Australian* is alarmed by the prospect of any section of workers breaking out of the constraints that have been enforced by the unions since the Accords.

The *Australian* is also demanding the dropping of provisions that slightly relax the restrictions on union entry to workplaces. Unions will still have to apply for a permit and give extensive notice to employers, but may enter sites where workers are eligible for union membership and ask to view wage records where there is a suspected contravention of a workplace agreement, award or the Bill. In reality, these changes are designed

to enhance the capacity of unions to keep a tight grip over rank and file discontent.

The newspaper lashed Turnbull for initially "rolling over" and "embracing Labor's argument of an electoral mandate". The Opposition leader soon snapped to attention, declaring there was material in the Bill that the Coalition "and many people in business are not happy about". He pledged to seek amendments.

Labor's laws are already as repressive as WorkChoices. The Bill retains anti-strike provisions that outlaw all industrial action outside the narrow confines of bargaining for a new enterprise agreement. Even then, workers will still be forced to go through a long-drawn out process, including holding secret ballots, before striking, while employers remain free to impose lockouts.

The new laws go further. They permit the government to block even "protected" industrial action in "essential services" and empower the newly-formed Fair Work Australia (FWA) to do so under a broad range of pretexts, including "threatening to cause significant industrial harm to the employer" and "significant damage to the Australian economy".

In other words, the legislation allows the government or the FWA to terminate any industrial action that is in any way effective. Had the laws been operating during the licensed engineers' dispute at Qantas earlier this year, the FWA could have intervened to ban all industrial action.

The FWA can also impose a binding "workplace determination" if industrial action could have a "particularly negative or dangerous impact". While some employers have raised concerns about the FWA arbitrating in disputes, its powers constitute an extensive strike-breaking mechanism.

The ACTU has hailed the return to "last resort arbitration" as a major gain for workers. In previous decades, the unions used federal and state arbitration courts to stifle disputes that were getting out of hand and to impose settlements. The former arbitration system legally enshrined the unions as labour

bargaining agencies.

Far from being an "independent industrial umpire," as claimed by Labor, the FWA's personnel will be chosen by the federal, state and territory governments in consultation with the federal Opposition. Former Australian Industrial Relation Commission judges, including Howard government appointees, will be offered places.

The *Australian* editorial itself emphasised that enterprise bargaining was introduced by the Keating government in the 1990s with the support of the ACTU. The purpose was to end nationally co-ordinated campaigns for wages and working conditions. Workers were reduced to negotiating on a plant-by-plant basis, pitted against each other in races to cut labour costs.

The government's memorandum on the Fair Work Bill states that enterprise agreements will remain central because they "better reflect the requirements and financial situation of the enterprise"—that is, the profit requirements of the company—and "shift the focus of negotiations towards boosting productivity".

While the unions claim that the legislation marks a victory for workers, and justifies their "Your Rights at Work" campaign against the Howard government, the content of the Bill underscores the fact that the interests served by the Rudd government—and its union supporters—are those of big business.



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