



National Office Bulletin

RTBU Members' Newsletter 2/2005

Minister Kevin Andrews' speech throws down the gauntlet to Australian workers

In this edition of *your* RTBU National Office Bulletin:

- **Minister Kevin Andrews radical program to weaken or destroy unions!**
- **Biggest attack on workers' basic rights since 1929!**

Employment and Workplace Relations Minister Kevin Andrews spelt out a radical program to weaken and even destroy the Australian trade union movement in his speech to the Committee for Economic Development of Australia on Friday February 25, 2005. It adds up to the biggest attack on workers' basic wages and conditions and rights since 1929.

Below are parts of his speech and what it *really* means for workers and unions.

Minister Andrews said

"The options that the Government will be considering in detail over the coming months include:

1. *a package of reforms, based on the corporations power [Section 51(xx) of the Constitution] that will cover the field and bring roughly 85-90% of employees into a national workplace relations system".*

What does this mean in plain language?

Abolish the State industrial relations systems by using a new federal industrial relations law to override them. This will expand the capacity of the Federal Government to attack and undermine wages and conditions by throwing an additional 3 million workers into the disastrous federal industrial relations system and into the clutches of Howard's anti-worker agenda.

Only state public service employees and workers employed by partnerships, cooperatives and non-corporate organisations like churches would escape this move. The three million workers relying on state awards will be thrown to the federal system – not the difficult one operating under today's Workplace Relations Act, but the harsh new one being devised now by the Howard government.

Minister Andrews said

"The options that the Government will be considering in detail over the coming months include:

2. *options for the setting of the minimum wage including whether the current ambit and adversarial process is sustainable into the twenty-first century".*

What does this mean in plain language?

The current safety net approach to fixing the minimum wage will be abolished. A public forum where the ACTU makes a wage claim to the Australian Industrial Relations Commission which is then determined on its merit – **including the needs of workers** – will disappear. In its place will be a system where Howard and company become the judges of what the minimum wage should be. Hardly an attractive proposition. The current minimum wage of \$467.70 will undoubtedly fall in real terms.

Howard wants the US minimum wage system, where the rate is set by Congress. The US federal minimum wage is currently set at US\$5.15 per hour (A\$6.60). If the worker regularly receives tips of US\$30 per month, then the minimum rate can be US\$2.13 per hour (A\$2.73)! The US federal minimum wage rate has not been increased since the Clinton presidency, and Clinton did it only once in his eight year term. Minimum wages would never catch up with inflation, so workers relying on minimum wages would suffer ongoing reductions in their living standards.

NSW Premier Bob Carr was right to say that Howard could give us a \$3 per hour minimum wage with tips!

Minister Andrews said

"The options that the Government will be considering in detail over the coming months include:

- 3. significant reforms designed to remove the complexity and third party interference with agreement making and simplify the process;*
- 4. a series of initiatives such as increased use of mediation along with changes to the role of the Commission to ensure it is more aligned to the needs of a system that is suitable for Australian workplaces in 2010".*

What does this mean in plain language?

Howard would try to remove unions and the Australian Industrial Relations Commission from negotiating and certifying enterprise-based agreements. These agreements would be non-union or individual contracts. This would be done by many means – removing right of entry for union officials, fines and other punishment for unions that engage in strikes, and reducing or removing the role of the Commission in certifying agreements and settling disputes. This would have its greatest impact on the 2 million workers now covered by certified union-negotiated enterprise agreements.

Minister Andrews said

"The options that the Government will be considering in detail over the coming months include:

- 5. changes focused on ensuring an ongoing role for awards as a genuine safety net of minimum terms and conditions of employment now and into the future."*

What does this mean in plain language?

Reducing awards to a bare minimum: Awards would no longer contain a minimum rate of pay, for example. Employers are calling for just six clauses in awards in the short term, and their eventual abolition. Federal Awards now have twenty clauses or "allowable matters". For the 1.6 million Australian workers who rely only on the award, this would mean a direct cut in pay to the new legislated minimum, and a cut or elimination of penalty rates and overtime rates, access to paid public holidays, annual leave, sick leave and long service leave, family leave, bereavement leave and training leave.

Impact of these changes for unions and workers?

This program has nothing to do with simplicity or efficiency. It is a radical attempt to use a unique political opportunity - a Howard majority in the Senate - to attack the rights and living standards of the majority of Australians to boost profits.

But the most likely outcome of this vindictive policy will be greater insecurity for most workers, more poverty, and greater industrial conflict. It will destabilise both production and consumption, just when the Australian economy is faltering due to too much speculation and too little investment in skills and infrastructure.

At the heart of this radical anti-worker strategy is a determination to take away basic democratic rights in the workplace and in our society as a whole. If workers are not allowed to gather together to discuss their working conditions and decide on collective claims – this is the core of trade unionism – then core democratic rights to free speech and freedom of assembly are being taken away. Howard already began this in 1996 with the Workplace Relations Act, which is in breach of Australia's ILO Convention 98 commitment to collective bargaining.

History repeats, as tragedy and farce

Back in 1929, Prime Minister Stanley Melbourne Bruce moved to abolish the arbitration system. At that time, the workers' bargaining power was so weak that the employers perceived that the Arbitration Court – harsh as it was – gave too much protection to the workers. The conservative Bruce government was defeated in the 1929 federal election, mainly on this issue, and Bruce himself lost his seat, defeated by the Secretary of the Victorian Trades Hall Council.

The Prime Minister has been a tenacious opponent of workers' rights throughout his long political career. He has a long memory, but he clearly cannot remember 1929.