

CHECK AGAINST DELIVERY

**Speech by ACTU Secretary Sally McManus
National Press Club, Canberra
Wednesday, 29 March 2017**

Good afternoon, it's a pleasure to be with you today.

I want to pay my respects to the Ngunnawal people and their elders past and present.

I would also like to acknowledge the members of the Australian Services Union who here today as well as some of my dear friends, and my dear comrades from other unions.

I am here because of you. And there are some things I need to say.

Australia's workplace laws are broken.

Our minimum wage has fallen to a dangerously low level.

This is why today the ACTU will be making a claim to increase the minimum wage. Significantly.

Wage theft is a new business model for too many employers

Inequality in our country is the worst it has been for 70 years and 679 of our biggest corporations pay not one cent of tax.

Our strike laws are out of step with international law.

Our bargaining laws are inadequate and unable to deal with the new and ever changing business models being adopted by the big end of town.

Now, the Fair Work Commission makes decisions to cut the wages and conditions of some of our lowest paid workers. And the mechanisms we have had to improve our living standards are no longer working.

In short, the very wealthy have too much power in our country and ordinary Australians - working people - do not have enough.

* * * * *

So let me tell you a little bit about the person who will lead the movement to change that.

In 1988, I was just 17 and I don't think I really knew what a union was. I was at school, studying for my year eleven exams, when my history teacher lost her job.

I and my fellow classmates were confused and then angry. But it wasn't just my teacher. Across the state, thousands of teachers were sacked as a part of an aggressive cost cutting agenda by the new Liberal Government. Thousands of devoted teachers like mine, lost their jobs, in the middle of the school year.

When you are young, you hear things adults say. What we heard was that our teachers were losing their livelihoods.

It was wrong for us and it was so very wrong for them.

The teachers decided to take strike action. I decided to join them and so did many of my friends at Carlo, Carlingford High School, in Sydney's northwest.

So we got on the train, I think it was one of the first times I'd been into the city, and we went with other teachers and students and parents from across the state to Sydney's Domain.

I will never forget that day. Trains flooded in from all the suburbs of Sydney, filled with people with banners and streamers, signs students had made. We all got off at Central together and walked to the Domain.

There were tens of thousands of people who felt the same way I did.

What the state Liberal Government was doing to teachers and students was unjust. And at that moment, I recognised people power – union power.

That strike action was illegal.

The power of so many people coming together, taking a stand against injustice, demanding they be treated fairly at work, at school, in their communities resonated with me in a way that has shaped my beliefs and my actions ever since. And it always will.

That's who I am. I'm a unionist. First, second and third.

There will be some who find this difficult to understand.

I told 7.30's Leigh Sales two weeks ago that our current industrial laws are wrong. I told her that it should not be so hard for workers in our country to take industrial action.

I believe in the rule of law, but laws must be fair and just and right. When laws are unjust no, I don't think there's a problem with breaking them.

Some people responded in just the way you might think it would respond. Play the woman, not the ball.

Instead of arguing about the right to strike, their approach was to attack me as a person.

The right to strike is a human right. It's our government that is out of step, not the Australian trade union movement.

The United Nations has declared strike action to be a right. The International Labour Organisation declares Australia to be at odds with international conventions. Professor Andrew Stewart, an Australian expert on labour law, says:

"The ILO for the past 20 to 30 years has told governments of both political persuasions that we are in breach of international labour standards."

In breach of international labour standards.

Yet our government and some major media institutions have a meltdown when workers stand up for themselves.

It's sad really.

The question of what is a just or an unjust law and when it is ok to challenge unjust laws has been debated for a very long time. In our movement we take the examples of our heroes to heart.

For example, Martin Luther King Jr wrote a letter in 1963, defending the use of nonviolent resistance to racism when he sat in Birmingham jail. He wrote:

"One may well ask: How can you advocate breaking some laws and obeying others? The answer lies in the fact that there are two types of laws: just and unjust."

Then he wrote:

"I would be the first to advocate obeying just laws. One has not only a legal, but a moral responsibility to obey just laws. Conversely, one has a moral responsibility to disobey unjust laws. I would agree with St Augustine that an unjust law is no law at all."

And he goes on to quote St Thomas Aquinas: *"Any law that uplifts human personality is just. Any law that degrades human personality is unjust."*

There are plenty of examples of Australians standing up to unjust laws in our own history:

- In 1938 wharfies refused to load pig iron that was to be sent to Japan.

- People broke the law to oppose apartheid.
- There was the resistance to conscription.
- Indigenous workers walking off stations to demand equal pay.
- The Green bans which saved the beauty of Sydney.
- And then there were all the illegal strikes by generations of union members that lead to the very living standards we all enjoy.

Working people in their unions stood up to unjust laws and they changed them.

* * * * *

I have always had a job, from the moment I could legally work. At 14 years and nine months, I did Thursday nights and weekends refilling shelves and working behind the counter at the newsagency down the road.

When I left school, I had a series of casual jobs, including delivering pizzas where I joined my first union, the SDA.

That was really the moment when I first became an organiser, not that I would have used that word then. I was a pizza delivery driver from Seven Hills.

A few of us thought we weren't getting enough to cover fuel costs as they skyrocketed with the first Gulf War. But we had no skills and no experience of what real organising meant. We knew we had to work together - we just didn't know what to do.

We met at a fellow driver's house with an organiser from the SDA and he taught us what we needed to do. Eventually the rates were changed but it took a while. I was lucky, I still lived at home with mum and dad and my two apprentice brothers. Some of the other drivers weren't so lucky.

And while all that was going on, I made it into university.

I wasn't exactly sure what I wanted to do when I grew up, but an arts degree at Macquarie University seemed like a good idea to me.

My parents weren't really convinced. No one else in my family had even finished their HSC, let alone gone to university and when I decided it was philosophy I wanted to study, it was pretty hard to explain to my parents what career opportunities this would lead to.

The wisdom in my household was to "get a trade behind you". Good thing my brothers Wayne and Scott did exactly that.

I loved philosophy but university was not just about what went on in tutorials. There was an entire group of people who wanted to be involved in much more.

Here I had my first experience of making a tough decision I knew would make me unpopular. By now, it was the early nineties and Australia was just beginning act on the negative health impacts of smoking.

I'd just been elected President of the University Union. We decided to ban smoking in the student bar because of the health and safety effects on our workers, we were one of the first bars in the country to voluntarily do this. It was well before laws that made it compulsory.

Now we ran a bar for students, so you can imagine it didn't go down too well with many. It was unpopular, but we argued the case and it was also the right thing to do to protect workers.

Just as I was finishing university, Australia experienced its worst period of unemployment since the Great Depression. My entire graduating class – except for the accountants – were worried about getting jobs.

Me too.

One morning, I was listening to ABC radio and I heard someone from the ACTU talking about traineeships for union organisers the ACTU had set up under the leadership of Bill.

I thought, that's it! There was nothing more, nothing better I could do with my life than to be a union organiser.

So I started in March 1994 with the Australian Services Union in the first intake of trainees along with many other fresh faced young people like, Bill Shorten. We learned from union movement elders like Tom McDonald and Tas Bull.

Here's the thing about being a union organiser, whether you are a workplace delegate or the Secretary of the ACTU: you don't, and you can't, live in a bubble.

You are out there in workplaces and in communities and you deal with tough situations every single day. Often you take home people's troubles and their despair.

For me, and for all my sisters, brothers, comrades in the union movement, there is no boundary between work and life. You don't stop caring about justice when you go home.

And here is the long list of things that I am constantly thinking about, as are union leaders across Australia. These issues are keeping workers awake because they are in fear of losing their jobs and losing the income they need to support their families.

- There are now 745,000 people without a job in our country. It is particularly bad in regional areas and for young people.

- There are more than one million people looking for more hours of work every week.
- 40% of workers don't have access to any paid leave.
- The new jobs being created are almost entirely part-time or casual.
- Underpayment of wages in the retail, farming, food processing, and hospitality sectors are costing people tens of thousands of dollars in what amounts to stolen wages. And every week we hear of further scandals where workers are underpaid.
- Wage growth is the lowest it's been since records have been kept. Even the Reserve Bank has expressed concern wages are not growing fast enough.
- Our ability to have a dignified retirement is at significant risk, with an estimated \$3.6 billion each year being taken from workers in unpaid super. At the same time, the Turnbull Government looking for any opportunity to hand over our super to the big banks
- And our health, education and tax systems are under huge pressure as a result of tax dodging by companies and the very wealthy.

The notion of a "fair go" is under attack from the wealthy and powerful. We are now a country full of stressed people worried about our jobs and wondering why things have not turned out as we thought they should in Australia.

And of course the Turnbull Government has just presided over decisions that will ensure some families have much more to worry about.

Like Kylie from the Central Coast of NSW. She's 22 and a single mum. She's working in retail and she's studying at TAFE. The penalty rates cut will cost her around \$2000 a year on her already meagre income. She says will have no choice but to work more hours to make up the difference. This will be time away from her son and time away from studying for TAFE. Life for her will become even harder.

Malcolm Turnbull doesn't want to meet workers like Kylie. Or like Margarita, a hotel cleaner from Melbourne who will also lose \$40 a week because of the cuts to penalty rates.

He doesn't want to meet them. And he doesn't want to meet me.

His government could choose to stop the penalty rate pay cuts of Australians. It could choose to protect Kylie and Margarita. Instead he chooses to focus his time on bashing unions and union leaders, the very people who are standing up for Kylie.

Malcolm Turnbull should be stopping these cuts. He should be supporting a change to laws for the hundreds of thousands of people like Kylie who are already struggling and cannot afford and do not deserve this pay cut.

But he is not. Instead he wants to distract Australians.

He has drafted up laws to continue to demonise unions and at the same time he is ignoring corporate wrongdoing.

He talks about corrupting benefits, but these proposed laws ignore the main source of corrupting benefits in society: payments to politicians, payments between corporations, payments designed to influence lawmakers, tenders, contracts.

The union movement will happily support laws with strong powers to investigate and punish corruption - so long as they apply to everyone. Such laws should apply equally to all the members of the Liberal Party, their backers in corporate Australia and the big banks.

There is no place anywhere for exploitation, corruption or the strong abusing the weak. Not in any workplace, not in any institution, not in any organisation and not in any family - including the union family. Anyone who engages in that type of behaviour is not a unionist, they offend the very core of our values.

We have been demanding the Turnbull Government establish a Federal Independent Commission Against Corruption that applies to every section of society. This is something that Bill Shorten has been working towards and we support him.

* * * * *

We cannot accept one rule for the rich, another for the rest of us.

The balance of power in Australia has changed - and the rules which are meant to protect ordinary Australians simply have not kept up.

We can change that. And we must.

Our minimum wage once led the world. Now it does not, it has been slipping rapidly down the rankings. It has barely moved in real terms while bills have soared.

It has lost touch with the average wage. It's \$17.70 an hour or just less than \$35,000 a year for a full time worker. Imagine what it is like trying to live on \$35,000.

In 1985 the minimum wage was nearly two-thirds of the average wage. Today it is well under half. This is dangerous for two reasons:

It creates a class of the working poor as exists in the US, and a low minimum wage provides a big incentive for employers to destroy good, steady fairly paid jobs by outsourcing them, cancelling agreements and using labour hire.

A low minimum wage affects every Australian. It affects all of our jobs. And it affects our economy, it affects our tax revenue.

In Australia in 1907 we made a decision not to go down the path of the US, and the union movement will not stand by and watch this happen.

Remember it was the Australian union movement who won the first living wage in the world.

So today we will submit a claim to lift the minimum wage by \$45 a week.

This will bring the minimum wage to \$37,420 a year. Much closer to what the OECD says is needed to avoid low paid work at 60% of the average wage.

And the minimum wage is just one example where working people are being left behind by a system of rules which have simply failed to keep pace.

So this is our agenda.

We will lead the fight to bring fairness back to Australia.

No matter where you work or what you do, your work is important. You deserve fair day's pay for a fair day's work, security in your job and you deserve to be treated with dignity and respect.

There has been a lot of speculation about who I am, what I stand for. I stand for workers. I stand for fairness. I stand for justice.

Those are the values that will shape my term as ACTU Secretary and they are the same values I have always held.

As Secretary of the Australian Services Union here and in NSW, I was proud to lead my members in their campaign for equal pay for community and disability workers in an industry which is predominantly female.

In many cases these workers had been told not to ask for more, not to put their clients or services at risk, not to expect any better. They were told they should be lucky to be paid what they received as caring was women's work and could be done for free. They were told this is just the way things are and the rules can't be changed.

But these workers stuck together, they were determined and they fought for justice for many years. We took action after action. Even though these actions were often supported by employers and by the people who use the services, under our laws they were also illegal.

What was our industrial action of choice? Dancing.

We held national days of action as mass dancing events, we danced in MPs offices when they would not meet with us and danced in parliaments when they opposed us.

I've never been so proud as when those workers achieved life-changing pay increases of between 16% and 40%.

They were told they would not win, but they did. They changed the rules.

And all the while, my union grew in membership by 20 per cent.

* * * * *

Like many people who strive to build a better future I've been involved in some of the key industrial battles of the past 20 years. I started early and I have had a lot of practice.

In 1998 I was the youth representative on the ACTU Executive during the Patricks Waterfront dispute. Myself and other young unionists organised the phone tree for the community pickets. We were prepared to be arrested. The whole trade union leadership was prepared to be arrested. I learnt a lot from that dispute.

But I had my best training from, of all people: John Howard.

Soon after I became the leader of my union, the ASU, John Howard introduced WorkChoices.

We determined our tactics and as a movement campaigned with our membership and together we defeated WorkChoices and we defeat the Howard Government.

I also learnt a lot out from that campaign.

So what happened over 21 years at the ASU. Countless disputes, negotiations and campaigns big and small with multinationals, large Australian companies, Labor and Liberal governments and even small community organisations.

I am used to working with employers big and small and with people who did not see the world in the same way as I did, or in the same way my members did. We managed to do this respectfully and very often with positive outcomes.

But unfortunately the greed of some has been allowed to get out of control.

The Keating years created vast wealth for Australia, but it has not been shared with too much ending up in offshore bank accounts or in CEO's back pockets.

Working people are now missing out and this is making them angry.

Big corporations and the wealthy accumulating power and influence. They have reinforced the advantages they enjoy and have tried to weaken those who might try and shift the balance back towards working people.

Particularly they have targeted unions.

This is what the Trade Union Royal Commission, the ABCC and the laws that the Federal Government has pursued and will try to pursue are all about.

But this is the reality: some industries are dangerous. Construction, truck driving, mining are difficult, dangerous jobs where people die. They leave their homes and they never return.

Families lose husbands, sons, wives, daughters, aunts and uncles. Communities lose their neighbours and friends. Parents lose their children.

And some companies cut corners to save money and to save time. If we do not have strong unions, the more corners they will cut. This puts people's lives at risk.

This is why union officials don't prioritise paperwork or wait 24 hours when they hear something is so dangerous a worker could be killed.

They go directly to that worksite and they do what they can to stop people being killed. They put saving lives first. The fact they have to break the law to do so is a national disgrace.

This is what the ABCC is designed to do: make doing the job of a union representative much harder by tipping more power to employers.

And while the government talks tough on unions, it refuses to take on what is euphemistically called tax minimisation which costs us billions of dollars each year.

Those billions are our childcare, our education, our hospitals and our pensions. All forsaken by this Government as it allows corporations to avoid paying their fair share of tax.

The stories of profitable household-name companies paying zero dollars in tax seem to come out every week. Yet under this government we cannot get a royal commission or a federal ICAC or even a properly funded and staffed Australian Tax Office to begin to look into the problem.

But it isn't just large public corporations. Australia's wealthiest individuals get in on the scheme too.

According to the ATO, one in five privately owned Australian companies with more than \$100 million in revenue paid no tax in 2015 - not one cent.

And 40 millionaires paid more than a million dollars to minimise their tax bill. One million dollars each. And by the way, that million spend on dodging tax is also tax deductible.

These corporations and the extremely wealthy are deciding that we shouldn't have as much money for schools, hospitals, community services and pensions.

This "find the loopholes, use the lawyers, squeeze the system or change the laws" approach has proven so successful that it is now being used by some big businesses to shirk what most people have long considered their responsibilities to their workers.

Like tax avoidance, underpayment of wages and avoidance of the Fair Work Act are no longer rare scandals.

It is now part of the business models of some Australian companies to underpay workers, or to force them to pretend to be contractors. And the consequences are absolutely no disincentive, especially when the exploited workforce is too afraid to speak out.

Workers in convenience stores are being exploited. Workers on farms are being exploited. Workers in restaurants, cafés and hotels are being exploited. Workers at our airports, at our construction sites and even in our charities are exploited.

How dare the Federal Government denounce me and do nothing to support Australians who are the victims of the rampant lawbreaking by some employers.

We have a problem of power imbalance in our country - some people have far too much of it and ordinary Australian, working Australians, don't have enough of it.

All the while, Liberal and National Party MPs claim that it is actually our problem. Even though we are working longer, our jobs are insecure and our wages are lower, it is still our fault.

Their underfunding of our services is also our fault. We just need to be better teachers, better nurses, better workers. Stop whining and get on with the job. Do it for less. Do it with less. Do more of it. Do it quicker.

That's the pressure that is placed on workers in our system by growing inequality and growing corporate power.

We didn't get here by accident.

Neoliberalism, trickle down economics. These tired ideas have delivered inequality for working people and ordinary Australians have been the victims.

We need to act to reverse the damage caused by these imbalances. This is what happens when working people do not have enough power:

If you're 50 years old with no savings, and stuck in a casual job that barely keeps the heat on, then you're not going to take a day off when you're sick.

If you're a 23 year old struggling to pay your way through a course or just paying the rent by serving drinks in a bar, you're not going to complain if your boss doesn't pay your super.

And if you work for Aerocare, you are likely to share your floor with rat droppings, because you can't afford to go home in between your split shifts.

It's not right that a generation of workers have no idea what it's like to be able to take a paid day off when their child is sick.

It's not right that our tax system enriches real estate speculators at the expense of those who want to buy their first home.

It's not right that people can be shuffled between labour hire providers and have their wages cut and conditions snacked away.

And it's not right that the rules that should protect people haven't kept up.

But here's the good news: there is hope. Our system didn't just fall out of the sky.

Australian unions were an essential part of making the rules which underpinned our once excellent living standards. Now Australian unions will lead a movement to rebuild them.

It is almost unimaginable that hundreds of thousands of workers are facing a penalty rate pay cut at a time when even Scott Morrison is saying we need to increase wages. But we are the Australian trade union movement and when wages are under attack, we stand up.

We fight back.

The only thing that will stop these cuts and actually raise wages, protect people's rights and ensure we have good, steady jobs is workers ourselves banding together in our unions.

It's that coming together in a union which gave us the weekend, public holidays, superannuation, Medicare and penalty rates in the first place. That list could go on and on.

It was the power of working people, standing shoulder to shoulder and saying "no more" to exploitation that ended the master servant act, indentured servitude, Workchoices and bans on married women in the public service.

Whether you're behind a desk, on a building site, in a classroom, a factory, at a hospital, in a café or a shop. Wherever you work, you are not alone.

There is a union you can join. Journalists in the room, you know how good steady jobs are being wiped out and the laws protecting you and your conditions aren't strong enough.

Join your union.

Our union movement has achieved so much that our rights can sometimes seem inevitable or eternal.

They are not. They were won by generations of working people in their unions. Brave people, courageous people. Working people.

The Fair Work Commission decision is a timely reminder to all Australians that - what was won can also be lost.

The times compel the Australian union movement to make a decision.

We could meekly accept the taking away of rights that those before us fought for. We could say growing inequality and mass job insecurity are just inevitable and there is nothing much we can do. Or we could say, no more. Not on our watch. We will not be bystanders.

This is the decision we made. It's just not in us to take the first option.

We are running onto the field and we are going to change the game. Our movement is united in saying we will fight to change the rules and to give power back to ordinary Australians.

So no wonder that the very people benefiting from the exploitation of ordinary Australians had a very public meltdown when I said we must resist exploitation, resist unjust laws and stand together.

Coalition politicians, business leaders, the usual suspects in the media.

Our very own Minister for Employment and Workplace Relations spent time last week berating me for standing up for workers just as we received the news that unemployment has gone up and underemployment has gone through the roof.

The truth is, changing the balance of power in this country requires some power to go from vested interests to working people who just want good steady jobs, the opportunity to buy their own home, a fair day's pay for a fair day's work, a good education, the knowledge that if they get sick they can get help and when they are too old to work they won't be forced to die in poverty.

But vested interests won't let go of their nice things easily. They're not just going to hand it over if we just ask, or if we send polite letters to our local MP.

It takes a struggle to change unjust laws.

My commitment since standing in that crowd at the domain in 1988 is to the movement that makes life better for working people.

Those who seek to demonise unions do so because they want to create a image meant to look scary and unappealing.

It is also a veiled threat. Know your place, keep your head down, don't ask for too much or we will come and get you too.

I will not keep my head down. I will demand more for working people and I am not afraid to take on the big challenges to build a better future.

We are here to fix the imbalance that has eroded people's rights and wrongly empowered corporations, big business and the already wealthy.

We will campaign to tip the scales back towards everyday Australians.

We demand changes to the rules.

There is a lot of work that needs to be done to develop and write new rules and we are willing to work with all those who show a commitment to our agenda.

We commit all our political, industrial and community campaigning capacity into making sure our governments are backing working people not just vested interests.

We can counter corporate power with a broad people's movement, and I ask everyone who believes in what I have said to join us.

Join your union.

Ordinary Australians, coming together to demand a fairer deal.

Because that is what being union and the union movement is all about.

We stand up. We fight back.

Thank you

ENDS