

FAIRNESS AND RESPECT – THE UNION WAY
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ACTU ORGANISING CONFERENCE

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Yesterday I was elected as Secretary of the ACTU. It's an important job. It is appropriate that my first public comments are at the ACTU Organising Conference.

I am strongly committed to the change agenda that unions have been pursuing in Australia for the last 10 years. We are seeking to create organising unions which:

- Are focussed on growth.
- Support and promote activist delegates and members.
- Are democratic and representative of the workforce.
- Are responsive to their members.
- Have strong links to the community.
- Understand their industries and have growth strategies for them.

It's an honour and a responsibility and I'm committed to giving it my all.

I want to express my appreciation to Greg who has been a great Secretary of the ACTU and will be a great member for Charlton and Minister in the Rudd Labor Government.

I thought I'd start today by telling you a bit about myself - where I've come from and what I stand for.

I was born in Newcastle and grew up in Sydney. My father was a panel beater and my mother a typist.

I was at high school in the late 60s when Labor was out of power and lost an election which it really should have won. Like thousands of other Australians my political consciousness was awakened.

My parents were strong believers in the benefits of a good education. After I finished high school I went to university and studied law but I came to the view that I didn't want to practise as a lawyer. I wanted to work in a team environment, to be more closely involved in social and political activities that could make a real difference to the lives of workers and their families. Working for a union seemed the obvious place.

In 1977 I began working for the Federated Miscellaneous Workers Union, known as the Missos. Since then, the Missos has undergone some major changes – perhaps the biggest being its amalgamation with the Liquor Trades Union in 1991 - an amalgamation that has evolved into the LHMU – with an integrated national and branch structure.

And for the past 17 years, I've led the 130,000-member LHMU – through an enormously challenging period of economic and social change.

The LHMU is a diverse union – public and private sector, manufacturing and service, permanent and casual, direct employed and contract. It covers areas of the service sector which are amongst the most vulnerable and disadvantaged – cleaning, security, child care, hospitality, aged care and home care.

Decent working people like.....Nok Sothanaphaisan, Alex Morales and Liu Liu, who are contract cleaners in big office blocks in Sydney's CBD. All 3 became involved in the Cleanstart Campaign and are now working as member organisers. We also have Jenny Woods and Donna Treyvaud who work in home care and George Fong, who has worked on the Monorail almost since it began 18 years ago, and has recently, along with his co-workers,

fought and won a battle to keep AWAs out of his workplace. George is also a delegate to the LHMU National Council.

The LHMU experience is highly relevant to the future direction and strategies of the wider movement. It has not been immune from the decline in union density that has happened in Australia and the rest of the developed world. I believe that as a result of our experience in changing the union over the last 10 years I know at least some of the things we need to do as unions in order to grow. It's not an easy process. There are many economic forces and interest groups against us but recent experience shows we can campaign and win.

For example, cleaners in this country are now in a much stronger bargaining position because of the LHMU's Clean Start campaign. The campaign, which was based on detailed industry research, has informed building owners, contractors, and the public about the difficult conditions faced by many cleaners. Now into its second year, Clean Start activists are pushing for a collective agreement to protect and improve cleaners' conditions. Hundreds of protests and rallies have been held across Australia. More than half of Australia's major cleaning contractors have already adopted the Clean Start Responsible Contracting Policy. These contractors have agreed to negotiate a union collective agreement with the LHMU.

Tomorrow (June 15) in every major Australian city, in cities in New Zealand and across the globe union cleaners will be rallying on International Justice for Cleaners day calling on both the global property giants and the big service sector companies who contract to clean these offices to respect the rights of cleaners everywhere to decent and fair working conditions.

The Clean Start campaign is just one of the campaigns underway to meet the huge challenges of a hugely diverse ethnic membership, in low paid difficult to organise industries.

I believe the LHMU has demonstrated its capacity to organise these industries and that I am leaving it in good shape and in good hands. I am hugely proud of my union, proud of its members, its delegates and activists and all of the people who work for it. Some of you are here today and I want you to know how much you mean to me.

Another campaign with child care workers employed by Australia's biggest child care provider has won massive pay increases in a landmark LHMU Child Care Union agreement. The terms of the agreement have been misrepresented by the Federal Government in recent days.

The real pay increases won by child care professionals covered by the ABC Learning union collective agreement range from 11.6% to 19.55% or \$67.56 per week (plus the next AFPC rise) to \$136.31 per week (plus the next AFPC rise). Not 2% as Joe Hockey has claimed. This is the first misrepresentation of me by the Federal Government, and I'm sure it won't be the last.

We need to build upon these initiatives. The big challenge for unions is to organise new sectors – new parts of the economy that are often difficult to reach, with casual workers spread across small sites, working odd hours and often not in very transparent working relationships. Jenny and Donna are delegates in the home care industry which is a great example of how we can organise these difficult to reach sectors. In the late 1980s these workers who care for people in their own homes, weren't even considered to be employees. It is not easy. But our history shows that we can do it.

We are often told by commentators that unions will survive and prosper if they are efficient service organisations – like an industrial NRMA. This is necessary but it's not enough. Nowhere near enough. Unions will grow and prosper if workers feel that they will get a say over their working lives and in society. We must make a real difference!

I believe Australians want a society which is fair, inclusive and where workers have a say over their working lives.

They want a modern industrial system which guarantees rights at work and a transparent process to protect those rights.

As ACTU secretary I want to work with Australian working families to ensure that they and their rights are given respect:

- Respect for them to be heard... in the workplace and in society generally
- Respect for their role as parents and carers
- Respect for their skills and their ability to improve themselves

That's what Work Choices, the Howard Government's industrial law, has taken away.

These laws affect real people. Decent working people like Rose Walker who works in catering in Canberra for a multi-national catering, cleaning and security company. Rose and her workmates were forced into signing AWA's in order to get employment. While the AWA makes provision for public holidays, Rose's work is rostered in such a way as to deny them.

In the past, the Industrial Relations Commission would have solved this issue and ensured Rose was paid for public holidays. But under John Howard's Work Choice Laws, Rose Walker, and many many other workers like her have nowhere to go.

Public holidays have long been Australia's way of saying we all deserve some paid time off to celebrate important symbolic events, such as ANZAC Day, Easter, Christmas and Labour

Day. Well, because of John Howard's laws, that's a thing of the past for many people. You might still get the time off – but forget being paid for it. Now is that fair and reasonable?

The Australian paint icon, Wattyl, has announced that they will start issuing AWA's next week to new starters. This decision has had a devastating effect on morale for manufacturing workers and their families at Wattyl sites like Blacktown in NSW, Footscray in Victoria, Kilburn in South Australia and Rocklea in Queensland.

The introduction of AWA's effectively stops new workers from negotiating with their employer and dissolves the collective effect of workers ability to negotiate fair pay and conditions. In a practical sense, AWA's are a *'take it or leave it'* proposition for most new employees. Wattyl has taken this first step as a means to not only de-unionise the workforce, which has shown a clear and unambiguous preference for a union collective agreement, but also in the longer term to cut conditions to increase Wattyl profits.

Unions are focused on the future. We are not seeking to go back to the past. Our policy proposes an industrial relations system which is appropriate for the 21st Century. It melds some aspects of the traditional Australian system which have promoted job security and equality – a comprehensive safety net and an independent umpire - with fundamental rights to join a union and to collectively bargain.

It is the Howard Government which is out of step on the rights to collectively bargain and of freedom of association. Even in the US if a majority of workers want a collective agreement there is a procedure to get it.

I am passionate about getting rid of this unreasonable, unjust law and making our system fair.

What decent working Australians and their families want is a fair share. Nothing more and nothing less. Working people aren't greedy. A fair share is a principle that every Australian understands. It's what we teach our kids.

Fairness is a basic and fundamental Australian principle. Every single one of us expects to be treated fairly in our workplace, by the law, in our daily lives.

And along with a fair share, we want a fair system that provides the protections and the rights that working people expect. It's not too much to ask. But under the Howard government, most working people get neither a fair system nor a fair share.

61% of people surveyed recently said they believed the economy was going well, but they didn't feel better off. So what's all that about Mr Howard? Why, in this time of strong economic growth are the majority of people not feeling better off? Workchoices and working people not getting their fair share are two of the main reasons.

Unions and the ACTU understand Australia in 2007.

We understand that the benefits of economic growth arising from the resources boom and strong consumer spending have not been shared equitably and have not been used to promote skills or infrastructure.

- The share of profits against wages is at a historic high – 34% to 66% in December 2006 – that's a 4.3% increase in just 6 ½ years.
- The chief executives of Australia's top 100 companies had an average increase of 59% in pay and bonuses to 30 June 2005 and then there are the

options as well.

- A Melbourne Institute study is reported as revealing that the household income of 40% of working Australians had stood still or dropped slightly over the last 5 years.
- Productivity actually declined in the first months of Workchoices and has barely recovered since. Recent productivity growth of 1.8% is less than the 60's and 70's.

We understand that there have been many changes in the labour market:

- One third of employed people are now in the “non-traditional” sector, which includes casuals, fixed-term employees, labour hire workers and self-employed contractors.
- 25% of workers in Australia are working as casuals with no leave entitlements.
- Casuals are mostly clustered in the private sector where 28% of all workers are casual as opposed to the public sector where 8.7% are casual.
- 60% of Australian workers have no choice over when they start and finish work.
- Australians work some of the longest hours in the industrialised world: 35% of male and 19% of female full-time workers work more than 50 hours a week.

- More Australians are working unpaid overtime – over one third of Australian workers work overtime and nearly half (18% of all workers) usually work unpaid overtime.

We understand that Workchoices has been disastrous for Australian workers:

- 99% of all private sector employers are now exempt from unfair dismissals. 99%!
- 100% of AWA's cut at least one so called "protected" award condition:
 - 63% cut penalty rates
 - 64% cut annual leave loading

And so on.

- Total earnings for full time workers dropped .6% in the past year – workers in the private sector by 1.8%.
- Workers on AWA's earn an average 90 cents an hour less and work 2.3 hours a week more than those on collective agreements.
- The gender gap has returned to 1978 levels – about \$100 a week on average for full timers.
- The National Foundation of Women, including about 60 women's organisations, has found that the gender gap widened in the year to November 2006 with the biggest gap in W.A., where there are more AWA's. As a percentage of men's, women's

average weekly earnings was 75% in WA, compared to 84% nationally.

- The government's fake "fairness test", which it has introduced in a desperate bid for electoral survival, will not protect workers. It has many loopholes, is not transparent or reviewable and is being applied by a body which is not independent. The Office of Employment Advocate's role has been to promote the very agreements which have so stripped away conditions.

The immediate challenge for unions leading up to the election late this year is to ensure that we are unified, disciplined, strong and determined. We will get rid of John Howard's bad law.

Greg, Sharan and I and all the ACTU officers and staff are committed to a seamless transition. We will ensure that the strategy that has been decided on is fully implemented.

The *Your Rights at Work campaign* is our key priority between now and election day. It is a community campaign spearheaded by unions and the ACTU. All unions must remain focussed on this and be determined to see an end to the Howard Government and an end to Work Choices.

We will continue to get our message out through our paid advertisements and our various contributions to the public debate. We will continue to talk to our members as we have always done. We will continue to expose the negative effects of Workchoices. We will step up our explanation of the alternative - our vision for a fair and decent industrial relations system which provides some security in the 21st century economy.

The vast majority of working Australians and their families strongly believe that unions have an essential role to play in our society. A recent survey of the general population put that

figure at 78% of respondents. Looked at the other way – just 12% of people who responded thought unions didn't have an essential role to play. Just 12%!

Listening to John Howard and his government you have to ask yourself why he so fanatically beats the drum of anti-unionism. It's clearly not what decent working Australians and their families want. John Howard is not listening.

Just imagine for a moment, our society without unions. What sort of society would it be? Employers would have all the power in the workplace. Every worker would have to negotiate their own conditions and pay rates. There would be no protections, no ability to get a fair hearing. What would the pay rates be like for those on below average wages? How would people get a pay rise? How safe would our workplaces be? How flexible would our working hours be? Would women get paid maternity leave and a job to come back to? Would families be able to access family leave?

So what is the role of unions in our society? Quite simply, unions protect and improve the livelihoods and living standards of working Australians through promoting a system called collective bargaining. It's not rocket science, it's basic common sense and above all it's about some core Australian values: fairness and respect.

We will also prepare and plan for beyond the election. Whatever the outcome, unions have to be able to control our own destiny. We are a strong movement, we have a proud history, we are trusted by the vast majority of Australian working people and their families, and we have sound relationships which reach deep into our diverse communities. These are our building blocks.

Whatever the outcome of this year's election, whatever system of industrial laws we exist under, the future of unions will be about:

- Organising
- Campaigning and
- Bargaining

New legislation and a more neutral environment from the government will help. But these things won't change the fundamental challenges. Unions have changed to meet the challenges of today's workforce but we need to change more.

Later this year, the ACTU Officers will articulate the major aspects of our agenda and discuss them with affiliates, incorporate their input and develop a consensus around our plan.

Australian unions will face 2008 with a sense of confidence.

Its early days but there are a few areas that I want to suggest today need to part of our agenda.

1. Yesterday, Greg talked about Unions@Work, the report that underpinned his entry to the ACTU 8 years ago. In 1999, I was part of the ACTU delegation along with Greg, Sharan, and ACTU Senior Vice President Joe de Bruyn which produced the report. Its recommendations fell into 4 sections:

1. Strength in the Workplace
2. Growth in New Areas
3. Technology for the Times
4. A Strong Union Voice.

The report was unanimously endorsed by the ACTU Executive. It was designed to be a blueprint for change within unions. The ACTU, the Education and Campaign Centre and Labour Councils have conscientiously sought to pursue the recommendations.

I think it's time to review our progress. To what extent have we implemented our agenda over the last 8 years? What are our successes and failures? What are the new issues that were not covered in the report and need to be articulated in a re-invigorated agenda for change? Two major examples come to mind:

1. The need for national and international industry strategies.
2. Our political mobilisation program in marginal seats in the lead up to the Federal election.

No doubt unions will raise other matters.

2. If unions are to grow we need growth strategies for our industries. This means each union analysing their key industries, considering what resources they can allocate and developing campaign plans.

A range of approaches will be developed and the ACTU can help. Some of the requirements that arise from my experience are:

- Dedicated resources to research the industry so we know who the players are and who makes the decisions.
- A plan which covers all the aspects of the campaign – organising, industrial, media and so on.

- A clear agreement about allocation of resources by the National Office and branches.
 - Clear coordination and the decision making structure that includes all relevant parts of the union.
 - Identification and work with allies.
3. Whatever the result of the election, unions will still need to campaign for our vision of the industrial system and society generally. The Your Rights at Work campaign needs to continue even though our specific tactics will be adapted to changed circumstances. We need to discuss the various options and what resources will be required.
4. And, Unions must be representative of Australian society. 45% of the workforce are women and 15.4% are born in Non English Speaking Countries. In particular industries, both predominate yet unions still do not reflect this.

Of course, I am a baby boomer Aussie male but I do have a commitment to change in this area. It is a great source of pride to me that my successor as National Secretary of the LHMU is a great woman, Louise Tarrant.

Later this year, the Australian people have a choice. We can choose a fair system or Workchoices.

We can choose a fair share of economic gains, or stick with a system that widens the gap between those who reap the gains and those who get to stand still or go backwards.

We can choose a system with an independent umpire, a system with a fair safety net, a system that delivers respect for the rights of working Australians, including the right to join a union and the right to have a collective agreement.

I know what I choose. And I know what I stand for.

I think our opponents have underestimated us. I think we have shocked them with our determination, our flexibility, our ability to take our case to the Australian people and to win a majority in this court of public opinion.

The fight is far from over.

But let us never under-estimate ourselves. The great traditions of our movement, our essential contributions to social justice and a nation where working working families can have a decent quality of life.

And of course the great people who compose our movement. The hundreds here and the hundreds of thousands of activists and officials. You are our great resource – let's not underestimate what we can achieve together.

Unions will be campaigning for our vision with all the commitment and resources right up to the election and beyond. I'm looking forward to the job.