

Address by ACTU President Ged Kearney
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***** CHECK AGAINST DELIVERY *****

I would like to pay my respects to the traditional owners past and present of the land on which we meet.

Thank you Mark for that warm welcome, and thank you to the Melbourne Press Club for the invitation to speak today.

I acknowledge the role the Melbourne Press Club plays in fostering debate and discussion about important issues, leading professional development in media, and of course, the Quill Awards, which I'm told lead to many a sore head the next day.

And I also appreciate this opportunity to address you today, because it is important for the union movement to have a constructive relationship with the media.

Unionists and journalists have more in common than you think: we both regularly end up at the bottom of those surveys of the least trusted professions.

I think we both get a bad rap, because a democratic society cannot function without both strong unions and a free press.

The media coverage of the union movement veers between painting us as a "spent force" irrelevant to modern Australia, to a powerful bogeyman dragging down our productivity and international competitiveness.

The work we do is often ignored, or if it is covered, presented as something that would have happened without unions.

But our work is important. What unions have built is important.

This year in Victoria we have seen hospital nurses and mental health nurses fight the State Government for decent pay rises and to retain nurse/patient ratios crucial for the long-term future of the health system.

At the Coles distribution centre operated by Toll Group in Melbourne's northern suburbs, workers fought to be treated the same as Coles warehouse workers in other states, rather than as second-class employees.

Public school teachers, principals and other staff are uniting to hold Ted Baillieu to a promise to make Victorian teachers the best paid in Australia.

And with Victoria's economy on the edge of recession, building unions are campaigning to get a lazy government to invest in projects that will create jobs.

We have had wins on protection for outworkers in the clothing industry, and rules that stop truck drivers driving themselves to death.

Unions representing workers at Ford in Geelong and Broadmeadows are seeking to ensure that redundancies are minimised, that workers are treated with respect and that their industry has a future. And in your own industry, the MEAA and other unions have worked hard in recent months as a bridge between management and staff in a tumultuous time for traditional media.

I am proud to be the head of the largest social movement in this country – a movement with close to 2 million members.

It is a movement that is changing rapidly. While the traditional industrial unions are still important, in recent years union membership has shifted towards more female-dominated, public and community sector workers.

My own former union, the Australian Nursing Federation is the embodiment of this trend; it now has more than 210,000 members and is growing rapidly.

All unions face the common challenges of being collective organisations in an increasingly individualistic society, and of organising a workforce that is becoming mobile and temporary.

We cannot be too pessimistic about these challenges. I think the defeatist argument that people are no longer “joiners”, is too simple.

AFL clubs and even political organisations like the Australian Youth Climate Coalition or the Oak Tree Foundation prove that people – even young people – do recognise the importance of collective organisation.

Unions are aware of this and we recognise that if we find new ways to connect with the people whose interests we represent, people will join us .

The mistake that is often made is assuming that a decline in membership means that our values and beliefs are no longer supported by the Australian people.

It also ignores the fact that the work of unions directly benefits millions of people who are not members. At the start of this month, 1.4 million workers began receiving an extra 2.9% in their pay packets – a wage rise only possible through the ACTU's annual wage case in Fair Work Australia.

The magnificent campaign for equal pay for community sector workers, run by the Australian Services Union, will benefit hundreds of thousands of workers, union members or not.

It will also benefit millions of vulnerable Australians who rely on the community sector.

Concepts like unfair dismissal laws, penalty rates, and paid leave actually remain popularly important, despite the best efforts of employer groups to demonise them.

More broadly the values of fair pay, collective bargaining, safe workplaces and the belief that workers have a right to be treated with dignity in the workplace are still embedded in the Australian DNA.

These values are what make Australia unique and great, a beacon for migrants from all over the world.

The success of the *Your Rights at Work* campaign should remind all politicians that the broader Australian community - not just union members - will stir and respond to unfair attacks on working conditions.

But in Australia we are not just a protest movement. We have been involved in the big social changes that have shaped the nation.

From the introduction of aged pensions, through to the economic reforms of the 1980s and 1990s and the introduction of compulsory superannuation, through to pricing carbon pollution.

At the recent ACTU Congress, Bill Kelty gave a rousing speech in which he noted that the history of Australia is in large part the history of unions.

"The country was made by unionism," he said.

*"The very spirit of the place, what you feel about it, has unionism as part of it.
"They're about the creation in this country of a better nation."*

And I couldn't agree with him more.

There have always been and remain powerful vested interests, with deep pockets and political influence, who oppose unions and what they stand for.

Much of what has been won since 2007 when Australians joined with unions to comprehensively reject WorkChoices is now again under threat.

A concerted – and deeply misleading – campaign by employer groups, big business and the Liberal Party is being waged to undermine collective bargaining, unfair dismissal, and the award safety net.

This tired ideological approach of some in the business community is an attempt to drag us back to the depths of the WorkChoices era.

If the polls stay as they are, we may well have a Coalition Government by the end of next year.

Worse, it would be a Coalition Government which has not been honest about its plans for industrial relations.

We know that big business is whispering in the Coalition's ears that it must rewrite the Fair Work Act to reduce the ability of unions to represent workers, and to introduce the kind of one-way flexibility that will allow the stripping of penalty rates and other hard-won conditions.

What we hear come out of the Coalition Party Room tells us WorkChoices is far from "dead, buried and cremated", as Abbott claims.

Exposing Abbott's real agenda on IR will be an important role for unions between now and the next election.

Yesterday, the ACTU Executive met in Melbourne, and the view was unanimous that regardless of who is in government, our members expect unions to always stand up for the issues that matter

to Australian workers: job security, decent pay and conditions, rights and respect at work, and safe workplaces.

They also want us to advocate a better and fairer Australia.

This is what we did in 2005, 2006 and 2007 during *Your Rights At Work*.

There is strong support for the ACTU to have a permanent well-funded campaigning capacity.

Alongside our new Secretary, Dave Oliver, I am committed to the community-based campaigning we saw in *Your Rights At Work* because that is the way to change public policy.

The mining industry and licenced clubs have successfully used this model to influence public opinion.

We need to be a constant presence in every suburb and every town campaigning on the issues that matter to all working people – regardless of who is in power or the stage of the electoral cycle.

Regardless of who is in government, unions must independently pursue a broader progressive vision for our society and the economy, and build community support for our goals.

We need to plan for long-term campaigns to achieve our goals – paid parental leave, for example, took decades of campaigning before it was introduced by this Labor Government – and to make the commitment of resources to see it through to the end.

There is strong support from all unions for the ACTU to take a more prominent leadership role on big national campaigns that will benefit all workers. And so, the Executive has approved a levy of \$2 per member to establish a permanent campaign fund.

I would like to make it clear, that this levy is not an extra impost on members. It is a centralisation of resources after a recognition that is where workers' interests are. WorkChoices made people realise just what a big difference workplace laws can make to their wages and conditions, and ultimately, to their lives.

I would like to make it clear, that this levy is not an extra impost on members. It is a re-allocation of existing resources, which recognises that workers also need us to campaign at broader level than their own workplace or industry. WorkChoices made people realise just what a big difference workplace laws can make to their wages and conditions, and ultimately, to their lives.

We will continue to push the Gillard Government to implement policies for working people, such as a big boost to funding for aged care, and legislation to strengthen the GEERS entitlements scheme.

We will also tackle the broader issues that are turning Australia into a more unfair society, and entrenching inequality.

And we are big supporters of the introduction of a National Disability Insurance Scheme. This is a landmark reform on a par with the introduction of Medicare and it is a disgrace that conservative state governments would threaten to sabotage it for pure political gain.

If there is one issue that cuts across our entire workforce, and is being confronted by every one of our affiliate unions, it is the issue of insecure work.

In the last 25 years employers across the economy have taken advantage of workplace changes to put people on contracts and employ workers as casuals or through labour hire.

Today, about 40% of Australian workers are in insecure work, without paid leave entitlements or guaranteed hours.

Last year the ACTU commissioned the first comprehensive national inquiry into insecure work, headed by the former Deputy Prime Minister Brian Howe.

The inquiry held hearings all around the country and took hundreds of submissions from workers, employers, unions and researchers.

They described insecure work as “soul-destroying” and said they were made to feel like “disposable” workers.

It found that the modern economy is built on shifting risk on to the shoulders of some of our most vulnerable workers and their families.

Such as the cleaners who find out an hour before their shift if they’re needed that day, the TAFE teachers on February to November contracts, and the labourers, forced to work as contractors so their employers can avoid paying superannuation or Workers Compensation.

“I’d love to buy a house and settled down, but to make that kind of commitment whilst on a contract is ridiculous,” Manieka, a primary school teacher in her twenties told the inquiry.

Colin, a labour hire worker in the offshore oil and gas industry, said: “It wears me down not being able to plan ahead.”

And Joel, a casual in healthcare lamented having no control over his work.

“I simply just have to wait for a call to go to work at the last minute,” he said.

This is not the Australia of the fair go that I grew up in.

Our low unemployment rate masks the fact that a large part of the workforce is “churning” through a series of low-paid jobs, without security, permanency or a chance to upgrade skills.

We are moving to a situation where our workforce is made up of a well-skilled, well-paid “core”, and an under-skilled “periphery” that moves from one low-paid insecure job to the next.

This uncertainty about job insecurity is fuelling other anxieties amongst working families.

Cost of living rises are far more frightening if you don’t know how many hours you’ll be working next week.

The 20-year mortgage seems a lot bigger when your current contract ends in three months.

Or worse, for many the dream of buying a home is completely out of reach when a bank won’t lend to you because you don’t have a guarantee of ongoing employment.

The Howe Inquiry has produced a landmark report, *Lives On Hold*, and a host of recommendations not only to workplace laws, but also to the welfare and training systems for how to address this issue.

Everywhere I go, workers are excited that finally someone is going to do something about insecure work.

In this room today, we have a worker who has direct experience of what I am talking about. For two weeks, Frank took part in the strike for better pay and conditions at the Coles National Distribution Warehouse at Somerton.

This dispute has highlighted an issue that was identified by the Howe Inquiry: the severing of the employment relationship by outsourcing the responsibility to a contract employer.

Under an agreement done at the height of WorkChoices in 2006, Coles outsourced the workforce in its warehouse to Toll Group, wiping its hands of any responsibility for their pay and conditions.

These kinds of deals have been allowed to flourish under Australian workplace laws and have played a major role in the spread and growth of insecure work.

As the Howe Inquiry recommended, this could be fixed through changes to the *Fair Work Act* to recognise that both the labour provider and the host employer have a responsibility and obligation to ensure workers' rights and entitlements.

Over coming years, unions will be campaigning for all political parties to commit to these and other changes called for by the Howe Inquiry.

And unions will be making similar demands of employers through enterprise bargaining and through the Award-making process.

The ACTU's secure jobs campaign is an important part of our vision for the Australian economy.

It is not just about workers' rights but the future of our skills base, and therefore our productivity.

For the past year, a one-sided debate has been taking place about productivity.

Actually, it's not really a debate at all: just uncritical reporting of self-interested comments from business leaders that don't bear up to scrutiny.

Now, it is correct that productivity growth in Australia has slowed since the late-1990s.

What the business lobby don't spell out is quite how this diagnosis fits with their prescribed cure, which invariably consists of a reduction in workers' rights.

Australia has experienced strong productivity growth in the past under industrial relations systems which gave workers robust protection.

In the 2000s, the Howard Government's anti-worker approach to industrial relations didn't revive our sagging productivity growth

It is lazy opportunism to blame the three-year old *Fair Work Act* for Australia's decade-plus slowdown in productivity growth.

A substantial proportion of the slowdown, as the Productivity Commission and the Treasury have observed, is due to big investments in resource projects which use large amounts of capital and labour for several years before they start to generate output.

And, as senior Treasury official David Gruen pointed out recently, poor management has also been to blame.

In the long run, the real drivers of productivity, and rising living standards, are investment in infrastructure and education, as well as research and development and world-class management.

The true debate about productivity should be about how we move to high-value added, high performance workplaces with job and income security.

This must ensure that casual and contract workers get the skills training they are not getting in an economy that treats them as disposable. It is not acceptable, or sustainable, to have shortages of skilled labour accompanied by unemployment and under-employment.

We must avoid the low-road of wage cuts and eroded working conditions.

The prolonged slump of the US economy should tell us that Australia's sluggish productivity growth won't be fixed by tearing up our industrial relations laws, eliminating minimum wages and the safety net, doing away with penalty rates and shift loadings, or removing unfair dismissal protections.

The ACTU's secure jobs campaign is the start of a new national conversation about how we can invest more in our people.

There are many people in Australia – I would say the majority - who don't see their values reflected in the rhetoric they hear from business;

Who want us to live in a functioning society, not just an efficient economy;

Who question the privatisation of assets we should be holding in trust for future generations, and the cuts to our public health and education systems;

Who do not accept that our future is longer hours, less security, lower pay and inequality;
I believe the role of unions has never been more important.

Technological development and therefore workplace change has never been so rapid or large scale, and individual workers have never needed a collective voice more.

Unions do have a broader role to play in our society.

We are fighting for a society that respects fairness, and which does not leave the vulnerable behind.

The fights that nurses and teachers are having is not just about pay and conditions, they are about preserving our public health and education systems for the future.

How can we have quality health care, when nurses are worried about when their next shift will be? How can we have quality education when teachers wonder if they will have a contract next term?

The manufacturing unions are fighting not just for their members' jobs, but for an industry on which many small businesses depend, and for a diverse economic base which actually provides strength to our economy, and does not become over-reliant on mining.

Unions know that if there is to be any move towards a more progressive Australia, towards a fairer society, then it must be led by us.

Ladies and gentlemen, I am proud to be the head of a union movement that gives a voice to Australian workers, which is unafraid to engage on the big issues facing Australia, and which recognises that fairness at work cannot be separated from fairness in society.

Thank you.

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