

**The Workplace Relations Debate
Address by ACTU President Ged Kearney to the National Press Club
Tuesday, 17 March 2015**

Thank you for the invitation today.

I'm proud to stand here as the representative of almost two million union members and millions of other working people who benefit from the workplace conditions fought for and won by unions.

What usually passes as the industrial relations "debate" in this country unfortunately is little more than a series of unquestioned assertions by business and employers.

Assertions like:

- Unions have too much power (or are irrelevant);
- Industrial disputes are too high;
- Penalty rates are a drag on business growth;
- Wages are too high;
- Labour productivity is too low.

And so on.

Assertions built on questionable evidence.

Like those about penalty rates.

Throw a stone in the air, and you are almost guaranteed to hit a celebrity chef – Luke Mangan, George Calombaris, take your pick – who will provide a dial-a-quote about the so-called economic costs of penalty rates.

But they never acknowledge that over the past 20 years, the relative shares of retail and hospitality income going to profits have not changed, and that today there are more restaurants, cafes and shops open at night and on weekends than at any other time in our history.

The IR debate in Australia is about a lot of things – wages, productivity, output, rights – but at its heart it is about people.

It does not have to be about productivity or profits at the expense of fair and decent wages and working conditions.

You need look no further than Tony Abbott and Eric Abetz as the reason for today's debate.

It is they who have ordered a Productivity Commission inquiry into the IR system – despite the fact that a comprehensive review was conducted by a highly-regarded panel a mere three years ago – and it found the system was working well.

The sense of crisis manufactured by the business lobby and the government is not supported by the facts.

Wages growth was contained at 2.5% in 2014 – in fact, we would say it is too slow. Industrial disputes, measured in days of work lost, were the second lowest ever last year. Labour productivity growth was solid in 2014.

What this is about is payback to the business community for their support of the Coalition.

Our workplace system is based on principles established around the time of federation: fairness, equality, protection of the vulnerable, and reward for hard work.

From this followed a minimum wage, reasonable working hours, paid leave, protection from unfair dismissal, the right of workers to organise and bargain collectively, and more – all overseen by an independent umpire.

When extremists have sought to tear apart those foundations, such as with WorkChoices, the verdict from the public has been overwhelming.

Two weeks ago, 100,000 people took to the streets in 17 cities and towns around Australia to defend their rights at work.

Australian workers are concerned when they hear business leaders and politicians decry that wages in this country are too high.

Or that workers should just shut up and accept a casual or short-term job, with all the insecurity that comes with it.

For most Australians, productivity and flexibility are just fancy words for doing more with less, working harder and longer for the same pay.

And for them, the only wages blow-out they have seen over the past few years has been the earnings of their CEO.

Our research tells us that workers feel their living standards are under attack from slow wages growth, rising household bills, and from cuts to health and education.

On top of 6.3% unemployment, we now have a record underemployment rate of 8.6%. That means more than a million Australians are not getting enough work to make ends meet.

What people crave is a positive agenda from the government.

Let me give you three key areas for improvement.

Firstly, we know about 40% of the modern Australian workforce lack secure jobs.

These people are casuals, labour hire employees, people on short-term or fixed contracts, and so-called “independent” contractors.

We are pursuing a portable entitlements scheme for all employees and robust and enforceable conversion clauses that will allow long-term casuals to become permanent employees.

It is also time to end the second class status of labour hire workers and to grant them the same entitlements as their co-workers. And tighter definitions of contractors would protect the employee status of people who are forced to get an ABN to do the same job they did as an employee.

Secondly, equality of workforce participation.

You only have to look at the facts to know there is an urgent need for action.

The gender pay gap is at a record high of 18.8% and one-in-two mothers are discriminated against in the workplace at some point during their pregnancy, parental leave or return to work.

Closing this gap and increasing workforce participation by women is not just a matter of fairness. It is economic good sense.

Research commissioned for the G20 last year found that this would result in a 6% boost to the economy.

The ACTU wants women to have the right to return to work in their existing role on a part time basis following parental leave – not just a right to request.

I note that the only areas under the entire Fair Work Act where an employee does not have the right to appeal a refusal is in relation to requests for family friendly work arrangement and extensions to unpaid parental leave – this needs to change.

Finally, I'd like to touch on workplace changes that would enable employees to fully exercise their rights to collective bargaining.

Workers that get together to ask for a payrise ought to have the right to do so. And where militant employers refuse to bargain in good faith, there should be an effective dispute resolution mechanism - particularly in the context of negotiations for a first agreement.

Any moves to further restrict the rights to industrial action, already heavily curtailed in Australia and inconsistent with international standards, must be opposed, and the important compliance role of unions in the workplace needs to be protected.

At the most fundamental level, our workplace system is based on a broad and enduring social consensus: that workers' rights must be protected and there is a role for policy intervention to ensure they are rewarded equitably for their efforts.

This is a system Australians have demonstrated they want and support.

So let me put the Coalition Government and employers on notice today that if you come after workers' wages, their penalty rates, their conditions and their safety at work, then you will have a fight on your hands.

A hundred thousand people marched to defend those things two weeks ago.

And that was just the start.

Thank you.