



SPEECH

**Launch of the Building a Better Future campaign
Address by ACTU President Ged Kearney to the ACTU Congress 2015,
Docklands Stadium Melbourne,
Tuesday, 26 May 2015**

Three years ago, when we last gathered in this forum, the theme of this Congress was insecure work.

The rise of insecure work over the last two decades has been the major driver of the decline in living standards in Australia.

The lack of a secure job makes it hard to save and plan for the future, to get a loan to buy a house or a car, to invest in your own future.

Through the Howe Inquiry and in other ways, the ACTU has led the way in raising awareness of insecure work and developing policies to address it.

Unions are successfully taking action in workplaces in favour of secure jobs, and the work will go on at this Congress.

Tackling insecure work will be central to the new social compact we fight for.

But since that last Congress a raft of new challenges have emerged that are further undermining our living standards.

The big difference has been the election of the Abbott Government.

In 2012, we had in place in Canberra a government that valued the social wage and rights at work, that invested in jobs and industries, that believed in quality education and healthcare for all, that recognised the challenge of an ageing population and the need to provide for dignity and security in retirement, and that was prepared to take action to protect the environment.

But now we have a hostile government, one that is determined to tear apart the very fabric of our society, to divide us into winners and losers, haves and have-nots.

Into so-called lifters and leaners.

So while we must respond to these challenges, we also need to develop a new and broader agenda which will influence political parties of all persuasions.

Once again, we must unite, as we have always done, to see off this threat to our living standards and chart a direction for this country to a better future.

Australia is a country that has always put on a pedestal the concepts of fairness, decency and egalitarianism.

But these values did not come about by accident.

Past generations of Australians consciously chose to create a society that reflected these aspirations.

There was recognition that we are all fully-fledged members of a society, not just bit players in an economy.

That we are citizens, not just customers.

A decent society is one where everyone has basic rights and equal opportunity, where we provide social protections to look after those who for one reason or another would otherwise be left behind, we reward hard work, and we ensure that wealth is spread evenly.

Where we recognise that most people will need help from government at some point in their lives, to deal with illness, ageing, misfortune and that this help should be a matter of rights, not of charity.

This spirit of a fair go provides the basis for a social compact which underpins the minimum wage and job security, the welfare system, public health and education, and a plethora of public services.

Australians have always accepted that with our living standards also come responsibilities to contribute to a state that provides for the community's health, safety and wellbeing and that the government is justified in raising revenue to fund those services.

Far from damaging our social fabric, the role of government in providing basic needs actually strengthens our commitment to each other.

The story of the Australian social compact is also the story of Australian unions.

From the earliest days, it has always been unions at the forefront of social change, and nothing has ever been achieved without a fight.

We have built on these basic foundations over the years.

Sometimes it has taken civil disobedience and strikes, at other times unions have agreed to trade offs as an investment in a social wage.

The most striking example of this was The Accord, which led to the establishment of universal superannuation and the re-establishment of Medicare.

Under the most recent Labor governments, the union movement has added to past achievements, including paid parental leave, the National Disability Insurance Scheme, lifting the Superannuation Guarantee to 12%, and big boosts to health and education spending.

And whenever these elements of a decent society have been under threat, it has been the union movement which has stood united and firm to defend them.

The Your Rights At Work campaign to defeat the hated WorkChoices laws remains one of our greatest moments.

Delegates, the time has come again to take a stand.

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By any measure, our living standards are facing the greatest threat for generations.

Wages are hardly growing at all. For the year to the end of March this year, the seasonal wage price index increased by 2.3%, the lowest since records began.

The wages share of national income has been gradually falling for many years, and has hardly recovered from record lows at the turn of the decade following the Global Financial Crisis.

Income inequality is also widening – the national minimum wage has fallen to just 43.4% of the average full-time wage. Two decades ago, it was 51.6%.

Australia has had the biggest drop in the minimum wage as a percentage of the average wage of any OECD country between 2003 and 2013.

If this trend continues, Australia's minimum wage will be on par with the United States by 2037 and our society will have an entrenched underclass of working poor.

Coupled with this slow improvement in wages has been the steady rise of insecure work.

We know that about 40% of the workforce are in one form or another of insecure work, whether it is casual work, employment through a labour hire company, a sequence of short-term contracts, or so-called independent contracting.

Lower living standards manifest themselves through longer unpaid commute times to and from work due to lack of government investment in transport infrastructure, and in the lack of affordable housing close to where people work.

Some of these trends have been present in our society for years.

But there is no doubt that the actions of the Abbott Government in just over 18 months have accelerated the decline in our living standards.

It began before last year's Budget, but that document launched a sustained new attack on the living standards of working people and their families by taking an axe to the social wage.

Low and middle-income earners were asked to bear an extra burden, while big business continued to avoid taxes, drive down wages and sent jobs offshore.

With his division of society into "lifters and leaners", Joe Hockey revealed the raw contempt with which he held most of his fellow Australians.

No-one was spared: not the young, the sick, the disadvantaged or the old.

This year's Budget may have generated fewer negative headlines for the government, but as a report from ACOSS revealed at the weekend, by keeping most of the 2014 savings measures and delivering new cuts, it will still strip an estimated \$15 billion over four years from basic services and support, with total projected cuts of \$80 billion from health and schools funding to the States over the next decade.

And it will be low income families that will bear the brunt of the cuts to welfare.

These attacks have been cloaked in rhetoric about ending the "age of entitlement", but what it is really about is tightening the grip of an uncaring free-market ideology that has shifted the burden of risk onto you, onto individuals and households.

The Coalition government blatantly denies the important role of government in moderating the inequities and excesses of the free market.

Instead, it has thrown the door right open for big business to dictate the future direction of this nation and extract even greater profits and corporate salaries at the expense of decent living standards for working people.

The other great threat to living standards comes from the Productivity Commission inquiry, which has been designed to provide a platform for the Abbott Government, if it is re-elected, to rewrite industrial relations laws to weaken collective bargaining, reduce wages and conditions, including penalty rates, and cut protection from unfair dismissal.

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At rallies around the nation, and in the opinion polls, Australians have already made known their displeasure at the direction the nation is heading under the Coalition Government.

It is our role as the union movement to step up and lead this country in a different direction.

Today, we are officially launching a campaign – *Building a Better Future: Fight for our Living Standards* – to do that.

This campaign is based around six non-negotiables that we demand of all governments to support:

Workers' Rights...

we will defend the rights at work, wages and conditions that have been won by generations of unionists, and we will extend them by campaigning for secure jobs and for better protection for those in insecure work. And that includes minimum wages and penalty rates.

Universal healthcare...

the state of a person's health should not depend on the size of their bank balance. The establishment of Medicare under the Accord is a proud union achievement, and we will campaign against fees for doctors' visits and for better funding for hospitals, medical services and aged care.

The highest quality education...

from pre-school through to tertiary education, the best education must be available to all Australians if we are to prosper as a nation. We will campaign for improved resourcing to early childhood education, equitable funding to schools, the restoration of TAFE and access to university for Australians from all backgrounds. There must never be American-style \$100,000 university degrees in this country.

Public services must be owned by everyone for the benefit of everyone...

the experiment of privatisation has been a dismal failure, characterised by higher prices, poorer services, and massive job losses. The only people who have benefitted have been multinational companies and merchant bankers; no-one believes the spin any more. The public deserves a basic level of services, and these cannot be run by a shoestring workforce.

A Secure Retirement...

unions led the way in campaigning for universal superannuation for all, not just an elite few, and we will continue to advocate for decent pensions and superannuation so all Australians can retire with dignity. The Superannuation Guarantee must be raised and the Low Income Superannuation Contribution Scheme restored.

A Fair Go For All...

government's top priority must always be to ensure that there are resources to support industries and economic growth that delivers high skilled jobs in a diverse economy. An economy where no-one is left behind and everyone who needs support can find it. This requires everyone to contribute their fair share of tax, and that must include big business, multinational companies and the very wealthy, who have become very adept at minimising or avoiding tax.

These six principles are the result of wide consultation among workers about what matters to them.

Late last year, the ACTU co-ordinated the largest ever survey of working people to find out more about their concerns about the direction the Abbott Government was taking us.

From those more than 53,000 people, we were able to build a picture of the issues they wanted us to campaign on between now and the next election – and beyond.

They told us how job insecurity and stress was a constant part of their lives, how they struggled to get by on their current household income, and how they feared Australia was no longer “the land of the fair go”.

They shared concerns that future generations would not be able to afford university or have access to good jobs, and they warned of the emergence of an American-style underclass of working poor in Australia.

There is clearly a huge disconnect between what we are told by politicians in Canberra and by the nation's business elite, and what is the real life experience of working people.

They are constantly told that wages are too high, that penalty rates – upon which millions of Australians rely as a core part of their income – are a relic of the past, and that people should just shut up and be grateful for the insecurity of a casual or short-term job.

Workers hear words like productivity and flexibility being thrown around, but they know all it means is working harder and longer for no extra reward.

They are told the nation is living beyond its means, and then they see CEO salaries rise by more than twice the rate of inflation in just one year to almost 50 times average weekly earnings.

They are forced to accept cuts to the services they pay taxes for, while they read that 55 millionaires paid no tax last year – not a cent, not even the Medicare levy.

We now have a charter calling on governments to support the six pillars of our living standards, and over the past two months, more than 300 workplaces and 5000 workers in every corner of the nation, have endorsed this charter.

And of course these six pillars are largely about fairness and opportunity.

The ACTU is well aware that we need to grow the national economic pie as well as distribute the existing economic wealth more fairly.

But this Abbott government has set about destroying decent well paid highly skilled jobs, in manufacturing, maritime, science and technology and the public service just to mention a few.

As a movement we need to reinvigorate the debates about skills, infrastructure, innovation, investment and trade.

We need governments who care, not only about the number of jobs but about the quality of those jobs.

Now it is up to us, at this Congress, to debate the detail, to finalise our demands, and put this campaign into action.

These are the demands we will put on all political parties, regardless of who is in government, what we expect them to provide for Australian working people and their families.

Already we are having an impact.

Unions spent most of the first 12 or so months of the Abbott Government successfully fighting back against the impact of their rampant attacks on our living standards.

The government couldn't hike up Medicare fees, they couldn't introduce their \$100,000 university degrees and they couldn't implement their punitive treatment of young jobseekers.

Nor have they been able to pass all their anti-union workplace Bills through Parliament.

This year, we are stepping up the fight.

Our grandparents and our forebears in the union movement would expect nothing less of us.

The difference is we will not be only defending – but advancing our own positive vision for Australia.

Because the size of the attacks is so big and not limited to one government, our response must also be big.

The ACTU will be leading this campaign and resourcing this campaign.

Over the past three years, the ACTU has been restructured as a strong campaigning unit, and today we have a movement that is once again united with a common sense of purpose and direction.

Before handing over to some of the leaders of our movement to also speak, I want to personally thank our team at the ACTU for their indefatigable efforts in putting together this campaign.

Delegates, it is often said that where America leads, others follow.

Well not this time.

Unions will not allow Australia to be taken down the path of the Americanisation of our living standards.

We are drawing a line in the sand and saying enough is enough.

One of the striking findings of our survey last year was how much influence people felt big business had over the political process.

The advantage we have is that while money talks, people power is louder.

We will turn the direction of this country and going forward.

It is not enough for us to just defend against these attacks on our living standards; we have a positive agenda for Australia and demand that all governments agree to it.

We want all Australians to live in a country –

THAT has a strong and diverse economy that works for everyone, not just big business;

A COUNTRY where you can have a secure job and make a decent living, and enjoy your retirement with dignity;

A COUNTRY that leads the way in skill development; innovation and industry advancements;

WHERE there are safety nets to protect you when you are vulnerable or need a helping hand, including your health and education;

WHERE everyone contributes their fair share and essential services remain publicly-owned;

AND where your rights are respected, at work and in the community.

We will champion these pillars of a decent society, and defend any attempts to undermine them.

Because, as I am often reminded, nothing has ever been handed to working people on a platter.

It has had to be fought for, by using the collective strength of people united in unions to take on the powerful institutions in our society: Parliament, big business, the law, and the media.

This fight will be no different.

So at the end of this Congress, I am confident we will emerge more united, more committed and stronger.