

**Senate Standing Committee on Education Employment and Workplace
Relations**

**QUESTIONS ON NOTICE
Budget Estimates 2012-2013**

Outcome 4 – Workplace Relations and Economic Strategy

DEEWR Question No. EW0041_13

Senator Abetz provided in writing.

Question

Minister's Address to the ACTU Congress

"Reference is made to the Minister's Address to the ACTU Congress on 17 May 2012

1) The Minister says that government changes in relation to industrial relations come after hard work by the union movement advocating policies. a) What policies have been advocated to the Minister by the union movement. b) Are any of these policies under active consideration by the government? 2) The Minister spoke of a list of policies – can a full list of policies that have been advocated since 1 January 2008 be provided. a) If not, why not?"

Answer

1a) A copy of the Minister's transcript is attached. He said "Even in the last few months, in my time as minister for industrial relations and my privilege to be minister for industrial relations, I've seen the culmination of the hard work of four-and-a-half years of Labor government, of four-and-a-half years of hard work by the union movement advocating policies. You know this list, but we should never forget this list." The Minister then listed the abolition of the ABCC, introduction of Safe Rates legislation, the culmination of the SACs equal pay case and improvements to support Australian seafaring.

1b) The policies listed above have been or are currently being implemented by Government.

2) In relation to the Minister's reference to a "list" see response to 1a) above.

Thursday 17 May 2012

Transcript

The Hon Bill Shorten MP

Minister for Employment and Workplace Relations, Financial Services and Superannuation

E&OE TRANSCRIPT

ADDRESS TO THE ACTU CONGRESS

17 MAY 2012

Good morning delegates. Thank you, Ged, for that welcome.

I'd like to acknowledge the traditional owners of the land upon which we're meeting today.

I'd also like to acknowledge the outgoing ACTU Secretary, Jeff Lawrence, who's got remarkable accomplishments in the last five years.

I'd also like to acknowledge all the officers of the ACTU and in particular the incoming secretary, Dave Oliver. Dave becomes Secretary in challenging times.

And it's in these challenging times that I'd like to give my report as industrial relations minister to you today.

It is challenging because there are people in our community, there are people in some elements of the financial press, there are some employers, there are some right wing commentators who say that the day of the Labor movement is coming to its twilight. There is an attitude in some quarters of our community that, somehow, the Labor Government has little left to do, that somehow our relationship with organised labour is an anachronism, that somehow the issues which have animated and fused working people and their representatives in the trade unions for the last 120-130 years – somehow those issues have ceased to be as relevant, and that we're in a new world where unions are no longer required.

There are some in our community who would say that the activities of one or two officials in one or two branches of one or two unions is somehow consistent with the cultural standards of all unions and all union officials and all union representatives.

So my talk to you this morning is to say that I do not believe that the best days of the Labor movement are behind it.

I look at the agenda of this ACTU Congress, I look at the work that you've been doing in your worksites and representatives, helping promote the meaningful improvement of economic performance in organisations, working towards the creation of value and profit in organisations, and the fair distribution of the national income.

Today we should be very, very clear that as difficult as the political climate is at the moment, we shouldn't hang our heads and be pessimistic and set the counsels of negativity and fear.

Instead, I'd like to put to you today that when the Labor movement – be it political or trade union – when we choose to lead, not follow – then we have our finest accomplishments ahead of us.

I know in the last few days we've had a list of the accomplishments of the union movement over the last 100 years. I know we heard our Prime Minister give an outstanding address. I know we heard from Bill Kelty and Paul Keating last night. And I know that when you look at the trophy cabinet of union and Labor accomplishments, it's a very full cabinet.

There is much political and social justice silverware which has been accumulated on behalf of working Australians, be they union members or just the broader community.

Even in the last few months, in my time as minister for industrial relations and my privilege to be minister for industrial relations, I've seen the culmination of the hard work of four-and-a-half years of Labor government, of four-and-a-half years of hard work by the union movement advocating policies.

You know this list, but we should never forget this list.

The abolition of the ABCC. The introduction of a Safe Rates Tribunal for truck drivers. We've also seen the culmination of the equal pay case so that people in the community services sector, women in particular, do not receive inferior wages because of their gender.

We've also seen the implementation of a greater protection and support for Australian seafaring, and it is terribly important in an island nation that we have Australian-flagged ships—and when we do in the future, the Australian union movement and the MUA can hold their heads up as contributing not only to the national economic independence of Australia but indeed the national security of Australia.

We will, in the remainder of this year, pass the fair entitlements laws to ensure that people who are thrown on the scrapheap, made redundant through the mismanagement of their businesses, either by the excessive optimism of directors and managers, which doesn't accord with reality, or because of structural circumstances in the economy – that Australian workers, their entitlements, will be looked after.

So there is work still to be done in the short term.

But what I want to put to you today is not only do unions work best and the Labor Party work best and Labor governments work best when we lead, not follow; not only do we have reasons to be optimistic because of our history of accomplishment and our more recent accomplishments; but I'd like to put to you today for your contemplation that Labor does well—the Labor movement does well—when we lead, not follow on the issues to do with our changing Australian society.

There are some people who, as I've said, say there is no more work for unions to be done, that the sun is setting on the collective approach to bargaining, to the approach of promoting fairness in the workplace.

I believe, on the contrary, that we have never been more relevant—what a Labor Government does or indeed what trade unions do. We understand that the world as we know it, the economy as we know it is under experiencing great change.

If you're in manufacturing, you see the impact of the high dollar. If you're working in areas which both benefit from the mining boom, or disadvantaged by the mining boom, you know this mining boom is a giant of an issue.

But we also understand, and we are uniquely placed in the economic institutions of Australia, to appreciate how to help people through change. That is what trade unions do best.

We don't turn our face against change. We're not like the conservatives who sit opposite, who sell this lie and this myth that Australia never needs to change, that we can turn to the past rather than the future, that it's too hard to compete with the rest of the world, that our farmers and our small business and our workers can't compete with other parts of the world unless we slavishly imitate the labour relations practice of third world nations or other parts of the world.

But I believe that unions and the Labor movement and the Labor Party have always been agents of helping people through economic change. For 40 years we've seen change, you've seen it in the textile industry, in the manufacturing industry, we've seen it in the rise of the services industry, we've seen it in the marvellous growth occurring in health and aged care services. We've always been at the forefront of change. It's unions who've argued for the diversity of the workplace to be expanded, not held back.

We understand, I believe in this congress at this time, that there are forces at work in the Australian economy and society which will keep occurring regardless of who's in power. That is why the union movement remains relevant, whoever is in power.

You all understand intimately, as do our children and our grandchildren, that Asia will keep rising and the development of three billion members of the middle class in Asia is an opportunity not a threat, for an open Australian economy which encourages diversity and is proud of our ability to compete with the rest of the world.

But we also know that our society is ageing. We know that what it means to retire is now being redefined as our life expectancy improves through the marvellous combination of science and medicine and the quality of care and economic growth which ensures that people don't just work hard their whole lives and retire poor.

We also know that the internet is having an unparalleled impact across the face of industry. Doesn't matter if it's retail, or sport, or education. We understand, I think, in the Labor movement the importance of being sustainable. I don't just refer to reducing the rate of carbon pollution emissions growth and the Australian economy, I also refer to the need to have sustainable people practices.

We understand what a good job is in this union movement. That's what unions fight for in the future of work – we fight for good jobs. We understand these things in the core of our being, because everyday union representatives get up and they work for their fellow members from dawn to dusk.

We also understand that our workplaces are changing forever with the inevitable, and the much overdue and the much welcome march of women for our institutions of power. We understand that 57 in every 100 Australian women are going to work now. We understand that not only will they keep coming to work and that not only do we need to have more family friendly workplaces, not only do we need to do the basics such as ensuring that people can get leave when they're the victims or dealing with domestic violence. We understand maternity leave. We understand paid parental leave.

We are the champions of ensuring that women get paid equally, and now we must also keep the pressure on those institutions in society which would resist the onward march of women to equality in our society and I refer to the boardrooms of Australia.

If the Labor movement can generate a female Prime Minister and a president of the ACTU, then I think that the Australian stock exchange top 200 companies can do better than 10 women directors out of every 100 directors.

But when we lead not follow, because we understand, we live in the real workplaces, doesn't matter if it's my old union the Australian Workers Union - from an underground mine to an aluminium smelter, to the boards of a shearing shed, to all of the various industries represented by the remarkable people in this room - we also understand what change means and that people cannot be forgotten.

That is why I believe that the Labor Government's agenda is so important.

National Broadband Network – why should our businesses and workers have to drive on the equivalent of 60 kilometre an hour roads when some of the rest of the world that we aspire to compete with has the equivalent in internet terms of 100 kilometre an hour roads.

Why is it that is it only Labor who is promoting skills, Year 12 and Cert III qualifications for everyone up to 64.

Why is it that we are the ones who are promoting jobs, and if you look at the global economy something like 30 million jobs have been shed in the OECD nations, in the modern industrialised world, since the Global Financial Crisis. Yet in Australia, despite all the difficulties of making ends meet, despite all the trauma and disappointment of job losses in great workplaces, we've also seen the creation of nearly 800,000 jobs.

Trade unionists, and a Labor Party and a Labor Government understand that a job isn't one of the most important things, it is the most important thing. Good jobs and good education are what give working people the chance for their kids to do better than them and their grandkids to do better than their kids.

So we know what's going on in the global economy because our members are reorganising their lives every day to fit in with it. We know we will have more than one job in our life. We know the idea of starting off as the clerk in the bank at the age of 15 and retiring as the manager in that bank at 65, in the same town. We know that doesn't happen anymore.

We know the idea of someone starting up as a shop assistant in the bike shop in the local suburb and then retiring at 80 owning the shop, we know that there's much more change in the world than that. We understand these things because union members and union representatives deal with the real economy every day and they promote the interests not only of the unionised Australian workforce, but the non-unionised Australia workforce who have much to be grateful for the work that you do in this room.

But leading not following also requires, I think, engagement in the debate about industrial relations policy. The Labor movement, in my opinion, based on many years of being a union rep and being a proud union member now, still will be until the day I die – the Labor movement needs to reclaim the middle ground of economic debate on industrial relations.

We need not to shirk—and I'm not saying that we are—but we need not to vacate the ground of productivity and high-value workplaces to the conservatives.

You know what a good job looks like. You know what a productive job looks like. Public policy has been haunted in the last 10 years by the declining rates of productivity. WorkChoices, by any measure, did not increase the productivity of the Australian nation. It's been 1.6 per cent for 30 years but in the last 10 years, 1.4 per cent.

You cannot, and this is what I would say to come of the chairmen of large Australian companies, this is what I would say to some of the conservative economic commentators who say that the union movement and Labor is shy about the productivity issue – no we are not.

But what we understand is what makes a good job. Every day, union reps promote what makes a good job. And you know the list. We know the list of what makes a good job. We know Australian workers hate inefficiency and waste in the job. We know that drives people nuts. We know that integrating learning and work is fundamental. If your members have a chance in their workplace to gain skills, to enhance their opportunities in the future, they will like their job better.

We understand in Australian workplaces that a business or an organisation which does not value the contribution of each individual will never get the same out of those individuals as one that chooses to prioritise and respect the contribution of individuals at all levels of the business.

We get, in our union movement, I believe, that happiness is linked to work. We do not believe in the low road and argue that by simply externalising all workplace debates that somehow we'll enter some sort of nirvana of great industrial relations.

You and I know, that productivity in the workplace, because every day you collectively bargain; every day you speak up to make jobs safer; every day you want to encourage employees to get their opportunities to get ahead and not be discriminated against on any grounds at all.

We understand what makes a productive, successful workplace. It is where there is collaboration and cooperation – not conflict.

Some would like to paint the union movement as saying that what we want, what our members aspire to, is to go to work every day and fight and argue. On the contrary.

I know union members, I know many of you, I know the aspirations of a Labor Government. We would have in the Australian workplace of the future workplaces where people are motivated, where they are valued, where they come home safe from work every day. Where they have some empowered say over what happens to them and control over the tasks they perform at work. Will people feel that this job will actually help them get their next job rather than a dead end where they're not appreciated. We must reclaim the middle ground of the economic industrial relations debate. And we can. Because we've always been there.

Some care to say that if you just could move the pendulum to greater deregulation of the workplace that somehow business would be better.

There are some, not all, but there are some who say that in a debate between fairness or flexibility, that somehow they're a choice, and that the only way you can have a high performing workplace is through a lot of flexibility, where the employer has all the power and the employee has none. I do not subscribe to the view that our members want to go to work each day and be unhappy – on the contrary. I do not subscribe to the view that the union movement would seek conflict in the workplace, instead we would seek harmony, I believe. That is the Labor way.

What I also respect, though, is it's not a question of externalising workplace problems and falling for this conservative fantasy that if only we could kill off all the unions, if only we could kill off the Fair Work Act, somehow Australia would enter some marvellous period of economic growth. On the contrary. That is a lie and should be called for the lie it is.

We know what makes a good workplace. It's a workplace where people can speak up. It's a workplace where people can see transparently the decision making and that they're capable of engaging in dialogue and creating value in the workplace.

I have a great depth of optimism in the capacity of Australian workers and Australian enterprise to create value through positive relationships. Now I'm not naive. Sometimes there will simply be the arguments, and that is as it is. But we mustn't let ourselves get fitted up – that somehow we are the class warriors. It has never been un-Australian to back-in the interests of Australian working people.

Class war is when the Liberal Party of Australia says you can't give a direct payment into a working person's bank account of \$410 for the primary age school child, of \$820 to the secondary school student. Class warfare is when you say you can't trust

poor or middle class people not to squander money – to take it and spend it at the pub or the pokies – and not spend it on their kids. What a rude and insulting proposition that is.

I know the modern Australian trade union movement. It is all around us. I know what we've accomplished and I also know what - working in tandem with a Labor Government – can be accomplished. I don't believe – and perhaps some do, but I don't – I don't believe that the 'us and them' rhetoric is what describes the modern Australian workplace, or describes 98 to 99 per cent of what Australian trade union representatives do.

I also know what doesn't also describe the Australian Trade Union movement. The implication that because some officials are party to completely inappropriate conduct with union members' money, I do not believe – and I have said constantly since the release of the Fair Work Act – I will not let the smear be transferred across all unionist cause we know that isn't true.

And we need to stand up and make very clear, as your leadership has, that in fact the Australian Trade Union movement is free, its independent, its democratic, it's a fundamental economic and political institution, which outside of parliament I think is the most significant. Because you give voice to the aspirations of two million people and their families.

I know what union reps do every day and they work very hard. And I know that whilst we can always do better – we can always improve governance, we can always work on how we do our business – I for one am not falling for the proposition that because of the actions of a few the many should be smeared or blamed. We should never buy that logic.

The other proposition I would say to you is that, it's been reported by ASIC that more than ever people are engaging in insider trading. It's been reported that as late as yesterday fund managers and dodgy, dodgy financial advisors ripping off people.

I do not accept that everyone working in the markets is a crook even when bad behaviour happens. But I do demand at least the equal courtesy back from the ranks of business that we too do not cop the same blame for the actions of a few when we don't necessarily describe that to other sections of our economy. We just want to be treated equal.

So, in conclusion I know and I believe that when the Labor movement, be it the Labor Party or the trade unions, that when we lead and we don't follow, then good things happen for the whole of Australian society.

I have an undiminished view of the potential of Australian trade unions.

Change is a part of our lives and when they say that unions aren't interested in change I think, come out with most union reps most mornings as their members are dealing with change, and the economy, and business, and work practices and pressure – like our members change, our members are the change that others talk about.

But at the moment in Australia we have as they say a gathering storm. We have a very enthused and energised Opposition who believe that somehow they are just a whisker away from running Australia. And they really only have two policies: tax—whatever their tax policy is, and you talk to each shadow minister and you get a different view—and industrial relations.

I believe that our movement, not only when it leads, is at its best. I also know that we must be the movement of hope, as our Prime Minister said, and not fear. That we do not rely on threat and fear to find our purpose. We rely on the positive view of the human condition and what people can accomplish if given half a chance.

We are the movement, which says that change and competition is not too hard, that we can actually make our way in the world, that we can actually help guide people through, and work with people to adjust to change. That is our DNA. That is who we are. That is who we will always be.

But what we also have to be is vigilant against those who say that the work of the union, or the work of the Labor cause, is done. It is not the twilight, it is still the sunrise. And that every generation, it falls to put some more of that economic or social silverware in the trophy cabinet of political accomplishment.

And now you have a new leadership at the ACTU, and it falls to us, in these difficult times where we have an energised and aggressive right wing in Australian politics, it falls to us to reclaim not only our achievements, not only our understanding of what's happening in the Australian economy and our commitment to people—all Australians, not just a few—and it falls to us to make sure that as a union movement and a Labor movement that we lead, and we don't follow.

I am profoundly optimistic about our future. I profoundly believe that not only will the union movement endure, not only will the Labor movement endure, not only can the Labor Party cause and the ideas we stand for all Australians endure – we will prevail.

It's a great privilege to be here with you.

ENDS