

Conclusion

In Appendix 4 of this report is a list of all the reports produced by the legislation committee on amendments to the Workplace Relations Act since the first inquiry into the original WR bill in 1996. Appendix 5 provides a list of amending bills which passed the Senate, and those which did not. These details provide evidence of that the Government's determination to press ahead with workplace reform has been continually frustrated over the course of the previous 9 and a half years. The Work Choices Bill is more comprehensive than the 1999 MOJO Bill, and while it is true that the passage of six years and the changing workplace experience over that time has affected the nature of the current legislation, it should be recognised that Work Choices is as complex as it is because of such long delays in the reform process and the transitional arrangements needed to create a national system in the absence of a referral of powers by the states.

Aside from the transitional and remedial elements in the large number of previously rejected amendments that find their way into the Work Choices Bill, the more substantial changes reflect more rapidly evolving policy. These are the transfer of wage-fixing powers from the AIRC, with these being vested in the Fair Pay Commission; and the creation of a national workplace relations regime. These reforms have not emerged from nowhere. The wage-fixation role of the AIRC has long been regarded as inappropriate, and changes may have been made to this in 1996 had Senate concurrence been secured. The issue of a national workplace relations system based on the corporations power in the Constitution has been talked about for years, and has been supported in principle, and at different times, by practitioners in the field of workplace relations across the political spectrum. The difficulties of establishing such a system were always understood. Not for the first time, a government has taken the bold stroke in deciding to press ahead in the expectation that the bill will be within power. Over the next five years it is expected that unincorporated businesses will recognise the benefits of incorporation.

The committee majority has made the case for passage of this legislation without substantial amendments in regard to policy. In preceding chapters it has looked at the evidence and concluded that the changes that are proposed for workplace regulation, and the encouragement of a new workplace relations culture, will see an ongoing improvement in productivity and employment opportunities. There are important reasons why these objectives are becoming crucial to the social and economic future of the country.

The first of these has to do with demographic change. Critics of the legislation have attempted to paint a scenario featuring impoverished and overworked employees constantly under threat of dismissal. The one law that transcends the amended WRA will be the immutable laws of the labour market. The predictions of doomsday have no foundation for the simple reason that the great majority of employees will notice no change in their working conditions. Of those who are affected by the legislation, the majority will include those who will be finding employment, perhaps for the first time

in years. The legislation will not guarantee employment: it will simply bring about the kinds of conditions in the workplace which will make more jobs possible. The legislation will not necessarily improve employment conditions for all employees: it will only make it more likely that people will find jobs. If there is a 'bottom-line' it is that the committee majority believes it is better to have people in useful employment at basic rates of pay and conditions than to have a much larger number of those people unemployed. No member of this committee would argue with the proposition that in the demographic circumstances of a diminishing supply of labour, it is essential to have everyone making a contribution. In the circumstances of a diminishing labour supply, fear of the creation of a national 'sweatshop' is ludicrous.

The second, and related, reason for workplace reform has to do with the need for a more skilled and better qualified workforce. This is a matter of general agreement, and is also incompatible with the notion of 'wage slavery'. Witnesses from industry associations who appeared before the committee stressed that the future of exports and of industrial and primary products lay with high value goods and products, because even 'sweatshop' rates below the worse imaginings of union organisers would be to no avail in competing with China and India. The Work Choices Bill alone will create the circumstances for improved training and apprenticeships. Associated with other training reforms, we can expect considerable improvement to the rate and scope of training.

The third element to workplace reform, even though it may seem to be the most significant in an historical context, is the efficiency that will follow from the creation of a national framework of industrial laws. The gains and savings will be considerable, especially for companies which employ people in different states. The committee majority notes that the most vehement opposition to a national system comes from the remnants of the old 'industrial relations club' of vested interests in maintaining elaborate and legalistic structures for both award making and managing industrial disputes. In particular, state labor councils find their *raison d'être* in the perpetuation of state industrial regulatory structures, along with state government industrial relations departments. Their dismantling will result in considerable cost savings, and will help accelerate a cultural change toward workplace and enterprise focussed agreement processes.

In conclusion, the effect of the passage of the Workplace Relations (Work Choices) Bill 2005 will be more noticeable over time than in the short term. It is highly unlikely that the employment conditions and agreement processes will change for the vast majority of workers, especially during the period of transition to a national system. Even then, the changes will reflect the absence of past practices more than the imposition of new practices, which is what deregulation means. This bill is an important step in the modernisation of the economy through a transformation of the attitude to work and to productive employment.