

To the honourable the senators of the Senate Employment, Workplace Relations and Education Committee:

Re: Inquiry into the *Workplace Relations Amendment (Work Choices) Bill 2005*

I wish to express my deep support for the proposed Bill to reform Australia's industrial relations system. I believe that these proposed reforms would go a long way to improve Australia's economy.

The establishment of one national industrial relations system is bound to deliver benefits, through increased business efficiency and a simpler system, as opposed to six different systems operating at once.

I am also pleased that there would be more flexibility in working arrangements, with Australian Workplace Agreements (AWAs) being encouraged. This would lead to the formation of more suitable arrangements for both employer and employee, through negotiation, instead of an adversarial and inefficient process before the Industrial Relations Commission. The proposed system gives workers more freedom, such as where they could cash in their leave if they wished and work public holidays, if desired.

Moreover, I feel it is more beneficial for employees to negotiate one-on-one where they can voice their own opinions, while for enterprise bargaining and award determination, they are often represented by unions which might not share their views. The power of Australian unions is out of proportion and has been a burden on economic efficiency and prosperity for a very long time.

Existing unfair dismissal legislation is cumbersome and restrictive to businesses, with small businesses being most adversely affected. This impacts substantially upon productivity and profitability. The proposal to exempt employers with less than 100 employees would increase employment, whilst retaining protection for all workers against unlawful dismissal.

The labour market, in the current legislative environment, is highly overregulated. This sort of regulation skews the equilibrium that would occur if remuneration and conditions were based solely on market forces. I believe that a government should not impose restrictive regulations in any market, as market forces are perfectly capable of regulating the same – a *laissez-faire* approach to industrial relations, for example, in Hong Kong Special Administrative Region of the People's Republic of China and the United States has led to prosperity. The GDP per capita of the US is \$39,496, Hong Kong SAR \$30,558, compared to Australia's \$29,893 (in international dollars).

All in all, the Government's proposed reforms are well thought out and in the nation's best interests. The Government is to be congratulated for pursuing these Thatcherist reforms, which brought the United Kingdom into prosperity. The current industrial relations system is a relic of the early 20th century and we simply cannot afford to stand still. Thus, I offer my unqualified support for the *Workplace Relations Amendment (Work Choices) Bill 2005*.