Submission

to

Senate Employment, Workplace Relations and Education Legislation Committee

Inquiry into the Workplace Relations Amendment (WorkChoices) Bill 2005

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I am writing to express my opinion and concerns and want to provide my strong opposition to the proposed Industrial Relation Reforms (Workplace Relations Amendment (Work Choices) Bill 2005 – IR). I believe that these proposed new laws will damage the cohesiveness of our society and erode fundamental workplace rights. Stripping employees of entitlement to basic conditions is a retrograde step. After intense checks and scrutiny of the proposed changes my opposition stems from a large number of reasons, which are summarised below:

- 1. The government has failed to provide any credible information that the proposed IR changes will create more jobs, create more wealth and provide for a decent and sustainable lifestyle and future for all Australians. As experience in other countries where similar legislation was tried before (e.g. New Zealand), it always miserably failed and was only to the benefit of a few well off people, but rather increased job insecurity, increased job losses, widened income gaps, sent wage levels into decline and did not really contribute to job creation. I have experienced the New Zealand work place system first hand, having been living in New Zealand for more than 6 years (1995 2002) and gained deep insight into their system to know it is highly disadvantaging and created a downward movement of wages and salaries and work place conditions.
- 2. If the government believes that individual employment contracts provide and ensure individual bargaining power on a level playing field, then the whole government is either naive, suffers wishful thinking, is removed from reality, or does not care about working people. Even I am in a highly skilled professional job (Environmental Consultant) in high demand, I still find it extremely difficult or almost impossible to negotiate improved work place conditions above the minimum guaranteed standards. The company I work for has extreme difficulties in finding additional highly qualified and experienced professional staff, due to a lack of people available in Australia. How about an 18 year old school leaver or an unskilled worker, they do not have any bargaining power at all or more generally when the economy goes into an inevitable decline. This will increase job insecurity, will lower wages and work place conditions, play havoc with family lives, and destroy having a chance for a decent lifestyle for many Australians. Australians currently already work the longest work hours in all the OECD countries (even in front of the US) and with the removal of all protections for workers this figure will probably increase and put even more strain on work and family life balance, on family relationships, on health and the health system and on the wellbeing of our society.
- 3. I object against the Americanisation of the Australian Labour market. I do not believe that American society should be a useful model for Australia, considering the enormous problems of inequality, poverty, crime, racial tensions the US is facing. The government trying to on one hand to compete with the Chinese labour market for cheap production (of a lot of crap) and on the other hand to promote Australia as an innovative powerhouse of high end services and production cannot fit together. I assume that the government wants to go the first way in competition with China, considering the value and importance to government is giving to work place conditions, wages, decent lives, work and life balance, high quality education and other essential services. To sacrifice workers protections, which have a very strong and valid reason due to the unequal power between employer and employees for questionable and unsubstantiated productivity gains in order to achieve even more questionable competitiveness just goes the wrong way of what the future of Australian economy can develop into. Protection of employees with strong protective legislation is the only protection many employees have against exploitation and slave like conditions, which are so common in many SE Asian countries, where it is to a large extent the lack of the presence and lack of enforcement of protective rights and legislation for workers to create such appalling conditions and do not have any doubt that in a more subtle way it will happen in Australia as well.
- 4. The current economic mantra of endless economic growth, profit maximisation, efficiency and productivity gains is thoroughly flawed and rotten to its core and of course totally unsustainable and does not have any future, where current tendencies are being cemented and our wellbeing is more and more obtained at the cost and expense at the exploited majority of the world population. The proposed IR changes would only deepen this chasm between the rich and poor. As it is very clear the current economic paradigm relies of the presence of a certain degree of unemployment, otherwise it would not

function as it should (theoretically at least) do. The governments obsession with economic factors of life is perverse and neglects many other at least equally important aspects, which must not be overcome by pure economic thinking. Economy is only here and useful as long as its for the benefit and for the wellbeing of all people, else its a waste of time and energy and not worth it. This is to show that the IRE changes are immoral and unethical to a high degree and far beyond Australia and Australian society. I believe that if these laws go through, worsening employment conditions will result with a greater gap between rich and poor. This leads to resentment within society and contributes to reduced personal security (i.e. increased crime, substance abuse, identity crisis).

- 5. Australia currently suffers a severe skills shortage and brain drain in a vast number or professions and these skills shortages have been ignored for many years and get only worse in combination with declining birth rates. I can guarantee you that the IR changes will make these skill shortages even much worse, because Australia will fail to be and become a destination of choice of highly trained professionals, who have a choice where they may want to go and where and under what conditions they want to work and life. These IR changes will scare away highly skilled migrants. I have such a background and if work place conditions significantly worsen (which are not very good to begin with) I will not hesitate to pack and leave the country for a destination, where workers rights are valued and a life above ane beyond income and money is valued. And there are plenty of countries out there where workers rights are valued and where my skills are in high demand.
- 6. Current IR regulations and workplace conditions have developed and evolved over a period of more than 100 years and reflect the development to a responsible, democratic and more caring society. From a time when laissez faire economy was rampant throughout the western world, providing for severe exploitative and slave like working conditions we have been going a long way, thanks to the dedication, struggle and fight of a large number of working people, where some had to pay the ultimate price with giving their lives for the cause to improve conditions and lives and to get a fair share from the profits of corporations and provide for a decent life for the majority of people. The current IR regulations are in no way outdated, they are a reflection of a long struggle of working people to obtain their fair compensation for providing their labour force. The proposed IR reforms are a step back in time of more than 100 years, to conditions before decent work place conditions were achieved. Your neoliberal agenda is nothing more or less than going back in time and its the proposed IR reforms, which are outdated and come from the 19th century. They are an insult on hard working Australians and you should be ashamed and banished for claiming that you work in the interest of all Australians and dare to put the well being of the majority of Australians at risk.
- 7. To develop a system of two classes of workers based on number of employees, which will determine if unfair dismissal in reality exists or not (due to the fact most workers do not have the resources to fight their rights in court) is entirely and utterly unfair, unacceptable and reflects a class system, which Australia from its outset and development as a nation tried to avoid (to copy European class societies of these forming days).
- 8. Considering the currently strong Australian economy I suggest that it is time to provide workers their fair share on the benefits and profits so many Australian businesses are raking in, and I therefore propose a strengthening of the industrial relations laws including following (not limited to) improvements. Flexibility is certainly needed but in the increased protection of workers and in increasing award conditions from current levels in place Some of the suggestions may not fit into the governments ideological views but they are perfectly implemented in some of the strongest economies of the world. I would suggest to stop further Americanisation of the Australian work place system and rather look to really developed and responsible

countries (e.g. Norway, Sweden, Finland, Denmark, Germany, Austria etc). GDP or average income and other purly economic indicators for countries do not provide much information on the real wellbeing (in a holistic sense) and sustainability of a society. This is to start the development of Australia into a real decent, caring and advanced civil society, and to provide for a strong safety net for all:

- 6 weeks paid annual leave
- 35 working hours per week
- 15 days public holidays per year
- 10 days sick leave and 5 days personal leave
- 10 days paid study (continuing professional development) leave
- 12 months paid maternity (or paternity) leave

I expect that current IR regulations and workers protections stay in place and remain untouched but should rather be improved and brought up to real International Standard and into the 21st century of a developed economy and decent society like Australia is thought to be.

Sassafras, Victoria on 8 November 2005

Peter Gringinger