



PRIME MINISTER

MACQUARIE NETWORK WEEKLY BROADCAST

BY THE PRIME MINISTER, THE RT HON.

WILLIAM McMAHON, CH, MP.

26 APRIL 1972

I N D U S T R I A L L A W L E S S N E S S

This evening I want to talk to you about industrial lawlessness and strikes.

Before I do this I want to sketch in the background against which the problem has to be considered. I assure you that our economy is basically sound and that no other country has prospects quite as good. For over twenty years our production and living standards have grown. And today is only the foundation of what we can do in the next twenty years.

Let me return to the problem of industrial unrest and lawlessness and its cost to the community in lost production and the uncertainties it creates. I will also explain what my Government is doing about it. For most of those twenty years Australia has had relative industrial peace. The significant exception to this rule has been the last three years. Until then, the conciliation and arbitration system worked well, and it brought a wide range of benefits to wage and salary earners, particularly those less able to look after themselves. But in the last three years industrial peace has been violated and the whole system of arbitration has been weakened. Its effective survival is threatened.

During 1971 the number of working days lost in strikes increased by 28% compared with 1970. In money terms, the loss of wages last year was \$45 million. Excessive wage increases and industrial trouble undoubtedly push up prices and are the root cause of inflation. These rising prices affect everyone. They seriously worry you. This worry is understandable because most people naturally expect continual improvement in their standard of living. But they will not get it through the destruction of the arbitration system or the failure of some big unions to accept awards. This new industrial lawlessness coincided with the capture of the A.C.T.U. by a leftist coalition. As soon as they secured the election of Mr Hawke, the principles of industrial unionism followed by Mr Albert Monk were undermined. In its place we see more political strikes and an attack on the disciplinary provisions of the Arbitration Act.

At the same time there are moves towards collective bargaining and more power to the big radical unions. No-one has yet invented an effective means of enforcing collective bargaining. Overseas, it has produced big and prolonged strikes. But let me explain what we are doing to help solve these problems. Some months ago my Government ordered a thoroughgoing review of the arbitration system. We recognised the need to modernise and strengthen a system which has served this country so well for so long. We do not deny the right to strike. We do think that under our arbitration system there should be very few occasions when a strike can be justified. When disputes are legitimately settled by arbitration, the award must be obeyed. Discipline is essential to an effective arbitration system.

That is why we will strengthen the disciplinary powers of the Arbitration Commission in the new legislation we introduced in the Parliament only this afternoon. That is why we will have secret ballots. We have already strengthened the power of arbitrators in the Public Service.

You will remember the problems we had with postal workers and their failure to satisfactorily maintain telephone services over the Christmas/New Year period. Initially the union involved refused to take its claim to arbitration and took part in a course of action which disrupted telephone services to an intolerable extent. So we introduced a bill to give the Public Service arbitrator power to introduce into awards the principle of "no work no pay". Until then we had no real power to ensure that Government employees satisfactorily carried out their jobs of providing you with services. We now have the power and can use it.

To sum up. We reject industrial violence. We reject political unionism. We stand for conciliation and arbitration as the foundation of sound industrial relations. That's why we want conciliation and arbitration to be successful. That's why we have acted. That's why we have taken the major decisions I've mentioned; decisions made to ensure that you are provided with the services you need and richly deserve.
