



EMBARGO: 5:00 pm

PRIME MINISTER

FOR MEDIA

~~FRIDAY~~, ⁵ APRIL 1981

ELECTORATE TALK

Two weeks ago I spoke to you about the Government's attitude to the Campaign by militant trade unions to force a 35 hour week on Australian industry. Since then the Minister for Industrial Relations, Mr Peacock, has made an important statement to the Parliament, and there has been a lot of discussion in the community about the 35 hour week.

The view of the Government is that this campaign will have a serious effect on the Australian economy's capacity to provide the additional job opportunities we are all seeking. It is essential that it be resisted in every reasonable way possible. The question is not whether the forty hour week is unchangeable for all time. The Government believes that it is fair that genuine productivity gains in industry be shared by all, by consumers in the form of lower prices, by businesses, in the form of profits needed to create jobs, by employees, in the form of improved working conditions. But the present union campaign is not about distributing the benefits of productivity to the community in the way that I have described. It is an attempt by a few powerful and irresponsible unions to grab all those benefits, and more, for themselves and their members.

The introduction of shorter working hours is not a matter to be settled at the expense of the community by deals between big business and big unions. During this week the Government was pleased to receive support for this view from the Chairman of ICI who stated that contrary to press reports his company did not intend to concede a 35 hour week to its unions.

It was also pleasing to hear some more responsible statements by Labor Party spokesman and Premier of New South Wales, Mr Wran, who stated that he didn't believe that a 35 hour week was inevitable. Indeed, he said, "We should not think of a 35 hour week across the board in any circumstances." Less than a year ago, Mr Hayden was saying much the same thing. He said, "I have got to say frankly that as an economist, ...and a former treasurer ... I would not support a 35 hour week at this time. In my view it would have damaging consequences. to many industries and I see a much greater need at this point to use resources that are available to generate more jobs, to get the economy fully employed rather than moving to a 35 hour week." It is regrettable that instead of maintaining this responsible attitude, the Federal Labor Party is now siding with the powerful unions.

During Mr Hawke's Presidency of the ACTU in 1979 the resolution was adopted that unions in all industries should "immediately develop and actively pursue programmes for achieving shorter working hours." Mr Hawke and others continue to support the view that shorter working hours are inevitable and there should not be strong resistance to the present irresponsible campaign. It is time that Mr Hayden, in his role as leader of the Labor Party, stood up for the principles he enunciated so clearly a year ago, instead of silently supporting the confrontationist approach of the militant unions.

The Altona dispute is a good example of the kind of thing which this 35 hour week campaign involves. The companies were forced, by a campaign which started with "sit-ins" and ended with strikes, to make quite unreal concessions. In return, the unions in some cases agreed to nothing more than to work in accordance with existing awards. It was agreed, for example, that correct timekeeping would be implemented, that work and job cards would be used more efficiently and that tea breaks would be restricted to the existing allocated time. The agreement was heralded as based on productivity gains. In reality, unionists were rewarded for giving up undesirable work practices that should never have existed.

The Government cannot stand by and allow the unions to use improperly imposed restrictive practices as a basis for so-called productivity bargains. Nor can we remain silent and inactive when we see the possibility of big business making concessions which will eventually lead to unemployment and unprofitability in less insulated and protected industries.

The dangers of these undesirable results are especially acute when one set of productivity gains are double-counted, used once to secure pay increases and again to secure shorter hours of work. And they are increased even further when the same gains are then used to justify a general flow-on of benefits to others. Double-counting of benefits can only refuel inflation and reduce employment prospects.

The Government is seeking the co-operation of trade unions and business leaders in ensuring that the benefits of higher productivity are widely shared by the community as a whole. The fact is, however, that a major assault has been launched on industry by the organised union movement to extract gains for a relative few without any sense of community responsibility.

Those people looking for work, senior citizens and retired people, small businessmen and others who are damaged by the 35 hour week campaign deserve better from powerful institutions like the trade unions and the Labor Party than they are getting at the moment. It is time for responsible leadership

in the union movement and the Labor Party to recognise this fact and to acknowledge their responsibilities to other people in the community. The central issue in this 35 hour week campaign is really one of the moral responsibility of a few to the rest of the community.

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