

# MINISTER FOR INDUSTRIAL RELATIONS

SENATOR PETER COOK

**MEDIA RELEASE**

## HOWARDS WAY - THE EXPLOITATION OF WORKERS

John Howard admitted on ABC's AM this morning that he is prepared to ride roughshod over workers covered by State awards by using the Corporations power of the Constitution.

State awards cover 57.3% of the Queensland workforce, 48.8% in NSW, 47.8% in SA, 57.3% in WA and 45.6% in Tasmania.

Being covered by a State award offers no security for workers in these States.

All these workers are under threat by the John Howard system of individual work contracts.

Some 40% of workers in Victoria have had their awards abolished already under Jeff Kennett. This experience will spread across the nation if John Howard is in control.

If the States don't agree to accept his policy, Mr Howard admitted this morning that the Opposition is prepared to act without the co-operation of the States to implement his policy. He said:

"even if we had to act unilaterally in defiance of the States; (our legislation) would reach about 70% of private sector employees in Australia."

Mr Howard's admission came in the face of criticism of the Opposition's industrial relations policy by Sir Richard Kirby, former head of the Industrial Relations Commission who condemned the Opposition's policy as a recipe for the exploitation of workers.

Sir Richard on ABC's AM this morning said:

"Let's assume for the moment that the employer, a particular employer, relying on the fact that there are thousands of people, million people out of employment, could say I'm leaving those provisions out and if you don't sign the contract you're sacked because I can get many out those million people to come in and take your place.... That I think would be a very deplorable thing."

Contact: Don Mackay 06 277320 43/93 11 March 1993

## PRIME MINISTER

### STATEMENT BY THE PRIME MINISTER THE HON P J KEATING MP

#### SOME FACTS THAT DR HEWSON DOESN'T WANT YOU TO KNOW

- The economy grew by 2 1/2 per cent over the past year, the highest in the OECD.
- And growth is set to accelerate and see unemployment decline. Consensus Economics, a London-based firm that surveys prominent economists around the world, predicts that the Australian economy will grow by 3.2 per cent this year and 3.7 per cent in 1994. Access Economics forecast growth of 4% in 1993-94 under existing policies. They forecast the unemployment rate to fall to 10% next year and down to around 8% within three years.
- There are increasing signs that growth is accelerating. Retail trade is up, private investment grew strongly in the December quarter. Building commencements are 15% higher than a year earlier.
- Moreover, there are increasing signs that the labour market is set to expand. ABS, ANZ, CES and DEET vacancies are all increasing, some quite quickly. Overtime is up. The DEET leading indicator of employment again rose strongly in January. Unemployment tends to lag these indicators and thus will improve in the next few months.
- In addition, conditions are right for a strong, sustained lift in investment and jobs.
- Inflation over the past year is 0.3% the lowest in the world.
- Interest rates have fallen by over 12% and are now at their lowest levels for two decades.
- Productivity has increased by almost 3% over the past year.
- Our international competitiveness has improved by 25% since 1983.
- There are now 735 enterprise agreements covering almost 1/3 of all employees under federal awards.
- Industrial disputes have fallen by 60% under the Labor government and now are below the OECD average, a feat never achieved under past Liberal governments.

- Australia has the third lowest ratio of tax revenue to GDP among all OECD countries, down from sixth lowest in 1985.
- We have one of the lowest Government debt levels in the world. Our gross government debt as a ratio of GDP is below that of every other OECD country, and is less than half that of the G7 major economies and the OECD average.
- Living standards, as measured by real household disposable income, have risen by 28.3% since the March quarter 1983.
- Australia's foreign debt is entirely due to the private sector, State Governments and Government Business Enterprises. The Commonwealth Government has borrowed \$18 billion overseas but has more than \$20 billion in foreign reserve assets – in other words, we are a net lender to the rest of the world.

#### The Research Effort

- As a nation we are devoting many more resources to research and development. Australian businesses have more than doubled their research and development over the past decade in real terms.
- The Government has increased its funding by 39% and is encouraging a further change in culture through measures such as the 150% tax concession and the funding of the 52 cooperative research centres with 10 more in prospect.
- As a result, over the past decade we've had the fastest growth in the OECD in both business research and development expenditure and external patent applications.

#### Industry and Exports

- Australian export occupy about one third of the world fast ferry market. Government will extend the shipbuilding bounty whilst the Coalition will end it.
- Cochlear holds nearly 90% of the world's bionic ear implant market.
- Uncle Toby's is the number one name in health food snacks in Singapore.
- We're exporting over \$1.2 billion in cars and automotive components. Australian firms supply catalytic converters for Rover in the UK, leather seating upholstery to BMW and springs to Mercedes Benz cars. An Australian firm is designing, developing and manufacturing instrument clusters for Mercedes.
- Exports of IT and Telecommunications equipment are around \$2 billion. Digital Equipment Corporation is exporting \$240 million and \$72 million into research and development.
- Exports of pharmaceuticals have risen from almost zero from five years ago to over \$1/2 billion this year and probably \$2 billion by the end of the decade. (Peter Roberts, AFR 11/3/1993)

- In aerospace, Lockhart and Preston are winning major contracts for overseas airports.
- Transfield and SMEC have landed a \$1 billion contract to build and operate a hydro-electric power station in Laos.
- Quality and productivity performance of Australian industry have improved dramatically in the last four years. Australian cars have reduced the number of faults per vehicle by 40% and many now rival the best in the world. A 1992 survey of Japanese manufacturing investment in Australia concluded that "within these companies... the concept of quality control has begun to take root firmly in the minds of factory workers."
- Of 29 Japanese firms surveyed on their operations in Australia, only one rated labour force problems as its most important problem in 1992. This compares with eight of 26 Japanese manufacturing firms in 1988 saying that labour force problems were their major problem.

#### Structural Reform

- Productivity has more than doubled on the waterfront.
- Crews on Australian ships have been reduced from 28 to below 21, and will fall to 16 over the next stage of the reform process.
- A record of over 18 million passengers flew in Australia in 1992 as a result of airfares falling in nominal terms over the past three years.

#### Education

- In 1982, only three out of every 10 young people finished high school; now, 8 in 10 do.
- The chances now that any young person will finish school and go onto university are over 70% higher than when the Liberals were last in office.
- There are actually fewer young people unemployed now than in 1983 – 110,000 compared with 158,000. Most young people are in education or training. This is the right response to the increase in skill level required for entry to employment.
- Under Labor, the number of Australian students attending university has increased by 211,000 to 530,000. This increase is equivalent to 20 new universities.
- Australia now has one of the world's highest rates of university graduation for young people.

#### Vocational Training

- Labor has undertaken a fundamental reform of vocational education and training, and established the Australian National Training Authority, with increased funding of \$720 million.
- There are 73,100 more TAFE places in 1993 than in 1991.

- Labor has provided special incentives for employers to recruit and train apprentices and trainees
  - apprentice intakes increased by 54% in the December quarter of 1992, over 8,100 commencements. Trainee intakes have increased by 146% over the 7 months since June 1992 compared with the same period a year before.

#### Labour market programs

- There were 170,000 job vacancies notified to the CES in the December quarter of 1992, the highest for any quarter since March 1990.
- 136,000 people were placed in jobs by the CES in the December quarter 1992, the highest number placed since the June quarter of 1990.
- Seasonally adjusted CES job vacancies and placements in the month of December 1992 were the highest for any month since June 1990
  - upward trends in both indicators have been established for 12 months.
- Job placements for the long-term unemployed rose substantially in the December quarter of 1992
  - up 175% on the same period in 1991;
  - 37,000 long-term unemployed people were placed in jobs.
- There has been a turnaround in the success of labour market programs
  - in December 1992 the percentage of people in labour market programs who found a job or entered further education or training was the highest since December 1990
  - 44% of people who participated in a labour market program in 1992 gained employment or went on to further education.

11 MARCH 1993  
CANBERRA