



## PRIME MINISTER

**SPEECH BY THE PRIME MINISTER, THE HON P.J. KEATING, MP**

**ALEXANDER HEIGHTS COMMUNITY CENTRE, WESTERN AUSTRALIA  
8 FEBRUARY 1996**

I am very pleased to be here to support Carolyn in her effort to win Cowan for the ALP - and to come to Perth in support of all our candidates.

It will be hard work, but I think we can hold all our seats and even pick up one or two - including Cowan.

We have exceptional candidates in the West and we've had them for some time. Old hands like Kim Beazley have always had to work very hard. It has become a way of life.

I was in Canning yesterday, where George Gear is going to have to work as hard as Kim has had to, and I left confident that George will come through too.

This election will be hard. But we're used to that. None of them has ever been easy.

But we must win this one. We have achieved so much in the last three years. We have got to a point where Australia is so much stronger and has so much to look forward to - we can't give it to John Howard. Or Tim Fischer, or Alexander Downer. Or Peter Costello. Or Peter Reith and Bronwyn Bishop.

We can't leave the future to people who live in the past. We can't hand Australia's future over to their conservative creed.

And, however much they are hiding it and pretending that they're new-born social democrats and progressive thinkers, it is a backward and backward-looking creed.

Look at its antecedents - every reactionary fashion of the last fifteen years - Thatcherism, Reaganism, the New Right, the HR Nicholls society, Joh for Canberra, the Greed is Good brigade, John Hewson, Fightback, John and Andrew, Andrew and John and Alexander and John again, and some hybrid now of John Howard, Newt Gingrich and the Fabian socialists.

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To help distinguish this Mr Howard from the one I have known for the past 20 years, in my own mind I call him Jack Howard.

And I think it is only reasonable that Mr Howard do something to distinguish himself in the same way for the people of Australia.

The point is that for all the changes of leadership, and the changes of rhetoric, and the changes of tactics and the changes of ideological fashion - the Coalition's intentions today are essentially the same as they have been for the last decade.

They still want to privatise the health system. They still hate Medicare. They still can't concede the value of a social safety net and a social wage. They still hate the Accord. They still have a problem with the idea that people should be able to combine to protect their common interests in the work place.

The real nature of the Coalition, the real unreformed nature of their thinking and their intentions is nowhere revealed more clearly than in their industrial relations proposals.

And, of course, nowhere have they made a more thoroughgoing effort to disguise their real intentions.

Of course there are some very obvious signs of what they have in mind. The legislation brought down by Jeff Kennett in Victoria is one example - and for people who might think that we should not judge them by their record, it is a useful one.

Their record shows - and John Howard's record particularly shows - that the Liberal and National parties want nothing in the world so much as the destruction of the Accord, the breaking of the unions and the creation of a labour market in which the balance of power shifts heftily to the employers.

John Howard has been the most consistent advocate of these policies for the last 20 years. He has opposed all but two wage rises in that period. He has said again and again that labour market reform of the kind he has in mind is his great mission in life. He was a passionate advocate of the draconian labour market proposals contained in Fightback.

And so thoroughly is it understood within the Liberal Party that Jeff Kennett said recently - when John Howard gets elected those 400,000 Victorian workers who escaped from his legislation will have nowhere to hide. In other words, the Kennett legislation will become Commonwealth legislation.

So we have their record to judge them by and Jeff Kennett's legislation to judge them by. And we also have the West Australian government by which to judge them.

What the WA Government has been doing in public health, education, in their approach to nurses' pay - and industrial relations generally - is wholly consistent with John Howard's thinking over the past two decades.

Don't be fooled by the cardboard cut-out John Howard.

Last time they fought a savage ideological battle. This time it's a battle of tactics. But the most conservative leader the Liberal Party has ever had is still the most conservative leader the Liberal Party has ever had.

But his policy on industrial relations exposes the truth. And you don't even have to draw comparisons between Mr Howard and Mr Kennett and Mr Court to prove it. You don't even have to draw the logical inference from his past.

Remember how Jeff Kennett said that there would be no "loss of wages and conditions" and then when he was elected abolished all state awards and took away holiday loadings?

Remember when Richard Court said that he was no Jeff Kennett and that workers had nothing to fear and then when he was elected removed all income guarantees from the West Australian system and cut youth wages to \$3.77 an hour?

And remember any one of hundreds of statements made by John Howard over the past dozen years.

There is no doubting their intentions.

If John Howard is elected the Commonwealth industrial relations legislation will become the same as Kennett's and Court's.

But it will also be distinctly and expressly John Howard's. He hasn't waited this long to look like he's imitating someone else.

John Howard's industrial relations package in 1996 will deliver the same results as the package contained in Fightback. The only difference is that the Fightback package spelt it out.

In the new 8 January 1996 package you have to look at the fine print and when you do you see that the "rock solid guarantee" that "employees cannot be worse off" is cynical nonsense.

Look behind the veil of comforting rhetoric shrouding his most recent policy announcement, and you can see the distinct shape of the old ideological obsessions - lower wages, less security, weaker unions; in short a labour market much more closely resembling the US labour market, and much less our own labour traditions.

The proof of the pudding is in the proposal itself.

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Under the Coalition's system the Industrial Relations Commission will be sidelined and made impotent. There will be no public testing or assessment of the fairness of contracts. Workers will have to bargain, as individuals, with the employer, in secret.

The Australian Workplace Agreement, which is what the Coalition is calling individual contracts, will be filed - and that just means put in a cabinet - with the new so-called Employment Advocate. It will not be looked at unless the worker asks.

Let's think about the circumstances in which a worker would ask for an inspection of their contract.

If asked to sign a Workplace Agreement would a job applicant say, "let me show it to the union, or to a lawyer first", when they know that some other more compliant applicant will then get the job?

The answer is - of course not. Job applicants will have no effective choice.

New workers will be forced onto agreements that will not be scrutinised by an effective or even expert body.

With the high levels of job mobility which characterise our modern labour market, the system must quickly and inevitably reflect the law of the jungle.

Job mobility is an issue with huge implications for the Howard legislation.

Over 1.7 million Australian workers face a new employer each year: about 300,000 tertiary education graduates; up to 150,000 year 11 and 12 leavers; and 600,000 workers who change jobs every year.

Every year 220,000 Western Australian workers take a new job. 33,000 are in Trades, 45,000 are Sales or Personal Service workers, and 55,000 are Labourers.

The system will change radically, and quickly, because somebody wanting a job will sign up even if they are unhappy with the contract. And no one apart from the worker and the employer will know what has transpired because, as in Victoria and Western Australia, the contracts will be secret.

Many of these workers will be young - around 750,000 people under the age of 25 take a new job every year.

Many of them will be immobile and without much choice - around 225,000 married women return to the workforce to new jobs after looking after children. Every year.

Many of them will have a poor understanding of Australian practices - about 150,000 people born in non-English speaking countries take a new job every year.

Many of them will be taking their first ever job: - about 230 000 Australians experience this every year.

In proportionate terms, the figures are similarly striking. The number of new job takers over a year is about 40 per cent of all employees in Sales and Personal Assistant occupations, and the same for Labourers. Twenty five per cent of all all wage and salary earners take a new job every year.

Ask the most basic question: how can an inexperienced jobseeker, possibly with little confidence, surely without a good understanding of the award system, and without doubt little recourse to the Australian Industrial Relations Commission, unions, or the government's award inspectors - how can they expect to strike a fair and balanced agreement with an employer about the pay and conditions of a secret individual contract?

Just taking the fact that over 40 per cent of workers have been in their current job for less than 3 years, it must follow that over the first term of a Howard government at least 3.2 million workers will be on individual contracts.

Secret individual c ontracts.

Contracts that the applicant won't challenge, because if they do they won't get the job.

Contracts that the existing employee won't challenge, because if they do there will be big and adverse personal and professional consequences.

Contracts that will change the nature of Australian workplaces and pay, and with this the social fabric.

Existing employees are also not going to challenge their employer if they think the contract is unfair. This would amount to publicly questioning the employer's honesty and credibility.

The employer can make this costly in all sorts of ways - by not offering overtime hours, by not allowing holidays when they are wanted, by not giving promotions, and even by the sack under the Coalition's impotent new unfair dismissals laws.

How can an individual worker resist?

Why would an individual worker bring a complaint to the Employment Advocate when it has no judicial power, and no way of enforcing a decision, other than to take it to court where it could stay for many months, and where the outcome is uncertain?

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The essential issues concerning the Coalition's new agenda in combination with the mobility in the Australian labour market are a profound part of this debate. They are explained in more detail in the Statement issued from my Office today.

But for all the detail in that Statement and all the details of the Coalition's many statements, the industrial relations system has more fundamental meanings.

It goes to the core of society. If the conditions in which we negotiate our working lives are unbalanced, our society is unbalanced. If they are unfair, our society is unfair - unfairness will be built in.

If intimidation of the weak is built into our workplaces - it is built into the community.

The Coalition's industrial relations proposals are a tactic to disguise their real policy. And their real policy would make a monumental change not just to something abstract called the industrial relations system - it will make a monumental change to the balances in Australian society.

It will, effectively by stealth, take away the one means by which workers have always been able to level up the social equation - the right to join together and bargain collectively.

In other words the Coalition's agenda is not just about low wages - it is about moving the balance towards employers and away from workers.

We can see it in the fine print of the infamous January 8th speech.

We can see it in their planned legislation on strike activity. They want to take away from workers any capacity for industrial action. They want the world of work to be defined by employers on the one hand, and individual workers acting alone on the other.

John Howard said this just two days ago - "individual contracts are terrific", he said.

The Coalition applauded the actions of CRA in the recent dispute at Weipa, just because they were individual contracts.

They did not mind that workers doing the same jobs as others were paid up to \$20,000 a year more simply because they weren't associated with collective bargains. The government believed strongly that this was wrong, and the Australian Industrial Relations Commission brought down exactly that ruling.

There is clearly a place for individual contracts. But we say there must be the capacity to negotiate contracts without discrimination against collective processes.

We say that an industrial relations system that denies workers freedom of association and collective action is unbalanced, unfair, and ultimately unworkable.

And yet that is the gist of the legislation. It is hidden but it is unmistakably there.

Consider this:

The Coalition said that strikes would be illegal for the duration of a Workplace Agreement.

Now imagine some of the circumstances that might justify workers taking industrial action when the contract is in place.

Imagine a workplace in which asbestos becomes a threat to the health of workers and the employer is not prepared to take corrective action.

Imagine a workplace in which safety procedures are poor and the employer is not prepared to take corrective action.

Imagine a boss persistently engaging in harrassment.

Even under these extreme circumstances, according to the Coalition, a strike would be illegal. And illegal means just that - time in prison for those taking industrial action.

When Peter Reith was asked about this aspect of the Coalition's policy in 1993, he admitted that a gaol sentence for the striking worker could follow.

There is more.

Because the Coalition's policy makes it illegal to strike while an agreement is in place, for many employers the strategic thing would be to stagger individual contracts so that a disgruntled co-worker could never have other employee support for action.

What the Coalition has in mind is legislation for employers, pure and simple. Legislation that will make it close to impossible for workers to bargain or negotiate or protest collectively.

So what does the Opposition hope to achieve by these proposals?

Higher labour productivity? But labour productivity in Australia has been more than twice that of New Zealand in the four years since they introduced an individual contract system.

Less strikes? But we've had less strikes in the last year than in any year since 1940. Under the Accord the number of working days lost per 1,000 workers has been cut by 67 per cent since the Coalition was last in power.

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For economic growth? But we've got growth. For inflation? But we've got growth with low inflation.

You can run through half a dozen hypothetical reasons why they are so determined on this course. And you can't find a plausible answer until you come to the question of lower wages and insecure jobs.

That is the Coalition model - and it always has been the Coalition model. They are utterly obsessed with the notion that Australian business cannot prosper without a scramble in the labour market for low paid jobs.

It is part of the Coalition vision - as much a part now as it always was.

What the Coalition means by labour market reform is wage cutting. They mean ripping away job security from hundreds of thousands of Australians.

What they mean by labour market reform is a fundamental shift in the balance of the most fundamental of social relationships - the relationship between workers and employers.

What their proposals will also mean - although they refuse to consider the implications - is a direct assault on thousands of workers' families. Reduce wages, worsen conditions, cut penalty rates, reduce security and independence and you hurt families.

You hurt their income, you hurt the opportunities available to their children, you hurt communities.

They will call what we say a scare campaign of course - but no one should be in any doubt that this debate on industrial relations goes to the very essence of the difference between Labor and the Coalition.

It is about the sort of society we want Australia to be. It's about how much we value each other. It's about how deep the feeling runs that we are all entitled to fair treatment in Australia.

And in this campaign it is also about the truth: the Coalition has not had a change of heart, it has had a change of tactic.

And Australian workers and their families stand to be the losers.

It is fundamental to Labor's cause that we resist this - and that we re-affirm our own vision and our own record.

We have a very good story to tell of the last four years, and an even better one to tell about the future of this country.

And in the next three weeks across the country we are going to tell it.