

PRIME MINISTER

UNFAIR DISMISSALS

I have today written to the Premiers and Chief Ministers to follow-up my Government's decision that businesses with 15 or fewer employees should be exempt from the federal unfair dismissal provisions in respect of new employees until they have been continuously employed for 12 months.

I have asked for the Premiers' support in implementing complementary changes to their own industrial relations legislation. It is very important that the benefits for employment, particularly of young people are maximised by ensuring that as many of the states and territories as possible adopt our approach to unfair dismissals in respect of small businesses. With State and Territory co-operation it will be possible to ensure that at least 80 per cent of small businesses with employees benefit from the Federal Government's initiative.

At the State level we already have a head start because Victoria, which referred industrial relations matters to the Commonwealth last year, will automatically gain the benefits of the change to the Commonwealth regulations on unfair dismissal. Small businesses in the ACT and the Northern Territory will also automatically gain the benefits of this change at the Commonwealth level.

Many of the state leaders have previously indicated their support for reforms of the unfair dismissal laws and I look forward to their early cooperation on this important national industrial and employment matter.

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