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A plan 'for unions, not nation'

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CANBERRA BUREAU CHIEF

A peak resources sector employers' group has endorsed a warning from former Productivity Commission chair Gary Banks that the nation is going backwards on industrial relations, arguing Labor's changes to workplace laws are aimed at revitalising flagging union membership.

Steve Knott, chief executive of the Australian Resources and Energy Employer Association, told The Australian Professor Banks' commentary "highlights a fundamental problem for our country".

But Workplace Relations Minister Tony Burke dismissed the criticism made by Professor Banks, arguing he was making the case for how "the nation can be better off if people have less secure jobs on lower wages".

"That's just not my view," Mr Burke told ABC radio.

Mr Knott warned the government's vision for employment regulation was "fundamentally at odds with what intelligent, long-serving top public servants are telling them is necessary to support a thriving, productive economy during very challenging times".

"Never mind those business



Knott

leaders in charge of running our enterprises and employing people have been shouting the same from the rooftops," he said.

"Australia needs an IR system designed for 2023 and beyond, not one belonging to a pre-internet, closed-economy era characterised by high levels of union membership."

Professor Banks told The Australian that decisions being taken by Labor were exacerbating the energy crisis, with a "U-turn" on workplace regulations saddling the nation with higher labour costs on top of the inflation of power bills caused by the "subsidised displacement of fossil fuels".

He warned that Labor's IR legislation, which expanded access to multi-employer bargaining, was "designed to further boost union power, under the pretext of 'getting wages moving' and 'job security'".

"In the fashion of the times, the legislation that got rushed through parliament was called 'secure jobs, higher wages'. I thought at the time that a more accurate title would have been 'secure unions, fewer jobs' And this has further to run."

Mr Knott backed the assessment, saying it "perfectly captures the sentiment of many in the business community."

"But far from simply taking a 'U-turn' on industrial relations policy, the government has instead jumped into their DeLorean and travelled back in time to the 1980s," he said. "Back then the national IR tribunal set wages and conditions ... and over 40 per cent of Australian workers belonged to a trade union."

"To apply that policy approach to a modern-day economy faced with intense international competitive forces is ... barking mad."

Mr Knott also warned the use of enterprise agreements had "fallen off a cliff and union membership is at 8 per cent in the private sector".

"The ALP's industrial relations policies are squarely aimed at turning these trends around, with productivity, business growth, investment and private sector jobs considered dispensable collateral damage," he said.