

The latest dirty words...

INDUSTRIAL RELATIONS REFORM

As we go to print, John Howard says his package of industrial relations reforms is the greatest piece of unfinished business in the structural transformation of the Australian Economy!

On 1 July 2005, Bills that the Senate has rejected since 1997 will become law and the Australian Industrial Relations Commission (AIRC) will be gutted of its responsibilities for –

- Wage fixation;
- Approving Agreements and Awards;
- Judging unfair dismissal laws;
- Processing Enterprise Agreements.

These roles will come under the Government appointed Office of Employment Advocate, which will also assess deals against a new 'No Disadvantage Test'.

Minimum wage fixation will be moved to a new body – The Australian Fair Pay Commission and there will be four key minimum conditions of employment –

- Annual Leave
- Carers Leave

- Parental Leave
- Maximum Ordinary Hours of Work

The Australian Fair Pay Commission (AFPC) set minimum wage and conditions will become the Australian Fair Pay and Conditions Standard. This will serve as the new No Disadvantages Test for collective and individual agreements, rather than awards.

A taskforce will be created to rationalise existing awards and classification structures, to be completed within twelve months of the taskforce being created.

One system

All state governments have vowed to fight the plan for a unitary IR system. The Howard Government is even considering offering inducements for the states to voluntarily hand over their industrial relations powers.

Unfair dismissal

Businesses employing up to 100 workers will now be exempt from unfair dismissal laws – the figure was previously 20 employees.

AIRC bypassed in Agreement making

The Office of the Employment Advocate (OEA) will now take responsibility of collective and individual agreements. The AFPC will set award rates that are guaranteed not to drop below the level set by this year's Safety Net Review.

However, awards will lose their status as the benchmark for the No Disadvantage Test. Allowable matters will drop from 20 to 16 with the removal of long service leave, jury leave, notice of termination and superannuation, which are covered by other Government Acts.

The Australian Fair Pay Commission (AFPC) is modeled on the UK Low Pay Commission and will 'periodically' set and adjust a single minimum adult wage, non-adult minimum wages, minimum award classification levels and casual loading – subject to parameters set by legislation.

The SDA is appalled at these moves to deny the rights of workers and will continue the fight to protect our members through the ACTU campaign.