

## ACTU push for industry bargaining increases pressure on Labor

Written by Michelle Grattan, Professorial Fellow, University of Canberra

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The ACTU is stepping up its pressure for industry bargaining as part of a radical revamp of the industrial relations system that it wants a Labor government to embrace.

In a speech to be delivered on Thursday, ACTU secretary Sally McManus says “the enterprise-only bargaining system is failing”, and “more and more people are falling out of it and the pay increases it delivers do not reflect productivity increases.”

There are 750,000 fewer workers under enterprise agreements now than when the Coalition was elected, McManus says in her speech to the John Curtin Research Centre, which was released ahead of delivery.

Under the present system “business owners are encouraged to undercut one another to compete on wage costs - to compete in a race to the bottom,” she says.

“Workers must be able to negotiate across sectors and industries to establish a solid basis for more secure, fairly paid work. This will allow business owners and working people to come together to improve productivity, quality and innovate new products and services”.

Labor has yet to spell out its response to the ACTU policy on industry bargaining, which is strongly opposed by business.

Opposition spokesman Brendan O'Connor said on Wednesday: “Enterprise bargaining is in decline, award reliance has increased to almost 25% of the workforce, and the nexus between wages and profit has been broken. The multi-employer low paid bargaining stream has not operated as intended and therefore Labor is examining how bargaining can best take place.”

Industrial relations is shaping up as a significant election issue, with the ACTU push for broad change to the system on the one hand, and on the other, the government wanting to take action against union militants, notably the CFMMEU. The government has so far failed to persuade the Senate to pass tough legislation that could curb the CFMMEU.

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McManus says the present industrial relations system has “excessive, unnecessary and sometimes confusing rules” that hamper parties reaching agreement.

“Instead, the bargaining system needs an independent umpire that can assist parties reach agreement, make bargaining more efficient and resolve situations when groups cannot see past their own conflict to the point of common ground,” she says.

“The umpire should also ensure a living wage, instead of an economic minimum wage”.

The current industrial relations framework dates from the former Labor government’s time. But McManus says: “Now we must step beyond the current Fair Work Act to ensure workers’ rights keep up with the challenges of today”, including “the capacity to develop new rights that keep pace with our changing society”.

She says the present system “favours the boss who steals wages”.

“A quick, low-cost, easy-to-access jurisdiction that allows working people to have their issues redressed without the expense and time wasting of going to the federal court is vital if we are to stop the wage thieves.

“Stolen superannuation, discrimination and harassment are workplace issues that should be covered by the industrial relations framework

“That these vital protections for working people’s dignity at work and in retirement have been squeezed into more high cost, lawyer-driven jurisdictions is just another way that working people are denied their rights.

“These are reasons why we need a strong independent umpire that is empowered to resolve disputes and enforce rights quickly and easily.”

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*Michelle Grattan does not work for, consult, own shares in or receive funding from any company or organisation that would benefit from this article, and has disclosed no relevant affiliations beyond their academic appointment.*

Authors: Michelle Grattan, Professorial Fellow, University of Canberra

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