

IPA MEDIA RELEASE

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IPA LAUNCHES NEW UNIT TO DRIVE INDUSTRIAL RELATIONS REFORM

Free market think tank, the Institute of Public Affairs, today launched its new Work Reform and Productivity Unit to drive industrial relations reform in Australia.

The Unit will be headed by its Director, the former Australian Building and Construction Commissioner, The Hon. John Lloyd PSM.

John Roskam, Executive Director of the IPA, said 'the reregulation of the industrial relations system since 2007 has choked Australia's productivity and is holding back the country's economic performance. It is time for a new vision for work productivity.

'Productivity reform must be the number one priority for Australia. Millions of Australian jobs are at risk in industries that are struggling to remain internationally competitive.

'In the 1980s and 1990s we saw strong productivity growth following bipartisan reforms from successive federal governments, including the deregulation of the labour market. Unfortunately the current government's *Fair Work Act* has reversed many of these reforms and damaged productivity growth,' Mr Roskam said.

Mr Lloyd said that the launch of the Unit could not have come at a more important time.

'Productivity growth is inextricably linked to economic growth. You can't have sustainable growth without improving productivity.

'The *Fair Work Act* is flawed. It overturned decades of labour market reform and re-empowered unions. We are seeing the costs of this across the country on building sites like Victoria's desalination plant in Wonthaggi.

'It is not just manufacturing jobs that are at risk. Major Australian companies in the service sector are offshoring their call centres because Australia simply can't compete anymore.

'Ultimately, bad labour market regulation costs Australian jobs and holds back the Australian economy. Unless reforms are made we can expect unemployment to rise and industries to disappear,' said Mr Lloyd.

Mr Lloyd has also served as:

- Deputy Secretary, Federal Department of Employment and Workplace Relations
- Senior Deputy President, Australian Industrial Relations Commission
- CEO, Department of Productivity and Labour Relations, WA Government
- Assistant Secretary, Department of Industrial Relations, Canberra

The IPA has a long history of promoting industrial relations reform dating back to 1947 when it issued a statement calling for a 'complete overhaul of industrial relations in Australia.' More on the IPA's work in this area can be found at <http://www.ipa.org.au/sectors/work-reform-unit>.

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