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QANTAS DEBACLE REFLECTS WIDER PROBLEMS

The deterioration of the Qantas dispute with the grounding of its fleet reflects a disturbing trend in Australian workplace relations.

John Lloyd, Director Work Reform and Productivity at the Institute of Public Affairs said “union leaders are adopting more aggressive tactics and industrial disputation is on an upward trend. The conduct of workplace relations has taken a turn for the worse.”

The recent television scenes of union members marching through airport terminals were arresting. They wore vests, carried banners and were shepherded by union officials bellowing chants from the ubiquitous megaphone.

It was proof that Australia's union leadership is losing touch with the Australian community. It is a throwback to the days of union militancy and arrogant union officialdom.

The ALP and the unions joined in 2008 to leave Australia with an awful legacy, a Fair Work system that has major faults. A system that is damaging workplace efficiency. A system that entrenches union privilege, notwithstanding an astonishing fall in union membership.

A major fault with the system is rapidly becoming registered in the public's mind. Union officials are using the new bargaining rules to orchestrate protracted negotiations for an enterprise agreement. Industrial campaigns involving bans, strikes, belatedly cancelled strikes and media attacks are common place. Qantas is the most recognised example. Similar protracted campaigns have affected Toyota, BHP coal mines, Customs, police, buses and public servants. Campaigns are being planned for health and other areas of public sector employment.

The most recent Australian Bureau of Statistics data shows an increase in most measures of industrial disputation for the June quarter 2011. Working days lost rose from 20,000 in the March quarter to 66,000 in the June quarter. Construction industry numbers are the worst for seven years.

The bargaining rules need to be changed. Also, agreements are approved and regarded as valid even though they may contain terms about non-permitted matters. Such terms have no effect although the agreement stands. Inevitably confusion reigns. This scheme has to be tightened.

Union militancy may have been tolerated in decades past. But it is an economic anachronism in today's connected and competitive world. Unpleasant outcomes are on the horizon.

Workplaces with diminished employer-employee engagement will be less efficient. Inflexible agreements and rules constraining employment options will limit responses to tough trading conditions.

The features of the system that encourage arrogant union militancy must be changed.

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