ARBITRATION COMMISSION — NEARING THE END OF AN ERA

Productivity must set limits to wage increases. Excessive minimum wage levels and excessive increases have created unemployment and inflation, inflicting enormous damage on the Australian economy. In granting preference to unionists and effectively endorsing closed shops the system has dragooned employees into unions, frequently against their will, and effectively undermined the right not to be compelled to belong to any organisation. The vested interests which have grown up around it seem to support the elevation of unions effectively above the law — if the Hancock Committee recommendations are a guide.

Is there not anything to be said in favour of the system? The most common argument these days is that it is necessary if a crisis imposition of a wage freeze is required. This is fallacious. If the Commonwealth has the constitutional power to secure a freeze, it is not bound to work through an arbitration commission of the existing type. Does it protect the weak against the strong? The unemployment rate of 8.5 per cent provides the most powerful refutation.

The simple fact is that the Arbitration System established in 1904 must be added to that growing list of luxuries which Australia can no longer afford. It salved the consciences of prominent lawyers, but it was based on fundamentally unsound principles for a free enterprise economy. Its time is running out fast.

A Licence to Live

As it proceeds with its plans for the Australia Card, the Government is walking into a trap lured or encouraged by surveys of public opinion which at present superficially appear quite favourable to the proposal. That this should be so on a proposal which few have yet studied is not surprising, but it is probable that this assessment will not last. Australians have been well-treated by the cards they presently have in their wallets — Bankcard, Keycard, Easicard and so forth — after all, these cards provide money at the touch of a button. What could be more attractive than a card which bears the name of the country they love? The Orwellian “newspeak” with which Dr. Blewett’s Department talks about the card continues for the present to lull people into an unsuspecting state of mind. Thus we are told in the Department’s brochure Explaining the Australia Card that all Australians will be “invited” to submit proof of identity.

The “invitation” to submit proof of identity will be one of those invitations you cannot refuse. And is it true that the card will do no more than verify records and payments of benefits? Not on your life. According to the brochure, just referred to, the card will be “needed” in “only” three situations — employment, financial dealings and the claiming of Commonwealth benefits. In other words, the card will be required to get a job, use the bank and to obtain government benefits.

Let’s translate all this into plain English. The card is to be compulsory. It is part of a campaign of civil conscription which treats all Australians as potential tax evaders and welfare cheats, with the threat that unless they agree to be photographed and registered (and to make private information available to government bureaucrats) they will be impeded in or even deprived of their basic liberties to work and use the banking system. A fundamental change is to be wrought in the relation of citizen to state. In effect, under Dr. Blewett’s scheme, from now on Australians will require a licence before they can work or employ their capital. What were heretofore regarded as basic rights inherent in being a free person will now be a privilege to be exercised by permission of government. The Australia Card is effectively to be a “licence to live” — a government pass whose production must be demanded by employers and financial institutions on threat of large monetary penalties.

The political failure of the scheme is certain. It can only be effective if every person is conscripted and no cheating occurs. Their membership will have to be sought by penalties of a very severe kind. This will further alienate many who might otherwise support the scheme. The significant political fact revealed by the polls even at present is the substantial minority who do not support the proposal. In the case of most policies the opposition of a minority is not serious. In the case of a policy of universal civil conscription it is quite fundamental to assessing the likely consequences of attempting to introduce the policy. A new problem of “draft evasion” is about to appear on the Australian scene, and because this campaign of (civil) conscription must catch all, the number of potential evaders will make the problem which arose in the case of military conscription look miniscule. Moreover, the campaigners against the card will have the advantage of speaking for values and liberties which are supported by the vast majority of Australians. There has rarely been such a presumptuous and unwise proposal.