



Australian Council of Trade Unions

## **ACTU Executive Resolution (final) - 4 March 2008**

# **Finding the balance for working Australians and their families**

### **1. The challenge for national prosperity**

Despite sixteen years of positive economic growth and more people in work than ever before, many Australian working families are under tremendous financial pressure. Successive interest rate increases, rising personal debt, and spiralling costs of petrol, childcare, health care and education mean that working Australians are struggling to meet their day to day costs of living. Wage increases are an important means of easing the financial stress on workers and their families, particularly the low paid.

In addition to financial pressures, changes in the labour market have led to increased job insecurity, more workers having difficulty meeting work and family commitments, and lack job autonomy. These changes are associated with stress, feelings of time pressure, poor health and reduced wellbeing amongst workers, with associated reductions in productivity.

At the same time company profits as a share of national income are at a record high, and Executive salaries have doubled in the last three years. Companies, as well as government, have failed to invest this in future productive capacity, by ignoring the need to secure a supply of skilled labour. And all industries face the challenge of adapting to climate change.

The spectre of rising inflation presents a challenge for our national prosperity, but so do the constraints on growth. If Australia is to lift our workforce participation work must be organised to remove the barriers to participation in paid employment and to unlock the productive capacity of the workforce. Our industrial and political campaigns must balance the immediate pressures on household budgets with the need to secure healthy and satisfying jobs in productive and sustainable workplaces.

### **2. Union response**

Unions will continue to stand up for Australian workers and their families, by campaigning for fair workplaces and a fairer society. The role of unions is to improve the living standards and wellbeing of union members and their families, through industrial, social and political campaigns.

Unions will continue to campaign to ensure the government's reform of industrial relations laws, undo the damage caused by the Coalition's WorkChoices laws and enact fair rights at work. A principle aim will be to secure and maintain a decent safety net of wages and conditions.

However collective bargaining will be the primary means by which improvements in workers' wages and conditions will be achieved. This underscores the need for fair bargaining laws. Unions will campaign for bargaining laws that respect workers' democratic rights to collectively bargain, promote good faith collective bargaining and



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enable parties, subject to a no disadvantage test, to reach such agreements as they decide.

Unions will also campaign to ensure that:

- The harmonisation of workplace health and safety and workers' compensation laws results in employees achieving the best available standards; and
- All levels of government only purchase goods and services from suppliers who adhere to highest standards of corporate behaviour, including respecting the rights of workers, maximising local content, and complying with the standards set out in relevant state and federal laws, including the new federal workplace laws.

### **3. Securing decent living standards**

Decent wages are at the core of improved living standards. Workers should have decent wages that provide fair compensation for the application of skills, the complexity of work and the environment in which work is performed.

The ACTU vehemently rejects the notion employees who depend upon minimum wages should suffer a cut in real wages. The ACTU will campaign for wage increases for all workers that ensure working families can maintain and improve their standards of living.

Executive recalls that the 2007 decision of the Fair Pay Commission resulted in a real pay cut for low income workers. In its forthcoming review of minimum wages the Fair Pay Commission must grant an increase that maintains the real value of wages for the 1.4 million pay scale dependent employees, and that does not aggravate income inequality in Australia.

Executive also notes the recent wage price index does not show wage growth at unsustainable levels, and that wages in enterprise agreements are growing at around 4 per cent per annum.

In developing their claims in upcoming collective bargaining unions will have regard to the following factors:

- The need to ensure wage outcomes, as a minimum, maintain the real value of wages;
- The importance of secure jobs and secure incomes that are delivered through productive and sustainable workplaces;
- Securing a fair share of productivity growth and improved profitability or efficiency for workers, having regard to the circumstances of the enterprises and industries in which their members are employed;
- Regional variations in the cost of living, skills and labour supply; and
- The need to close the gender pay gap.

## **4. Quality of working life**

The Executive recommends that unions consult widely with their members to seek support for campaigns that improve the quality of working life including in respect of claims that will:

- Improve workers' retirement incomes;
- Promote greater job security and improve the conditions for workers with precarious employment;
- Protect employee entitlements;
- Promote better work and family balance;
- Improve access to training and recognition of skills; and
- Ensure workers are consulted about change at work, including change in response to global warming and climate change.

### **4.1 Saving for the future**

Unions will seek support for a campaign to ensure all employees have adequate savings in retirement. With profits relative to wages at a thirty year high and the economy requiring increased savings to mitigate against inflationary pressures now is the time to rebalance that disparity and invest in increased superannuation through collective bargaining.

ACTU policy is to achieve a goal of 15% minimum contributions to superannuation. The ACTU Executive confirms its resolve to achieve this goal by 2015 through a combination of bargaining, legislation, or changes to the taxation of superannuation.

As a first step, unions will seek support from their members to bargain and campaign to increase the minimum employer superannuation contribution for employees currently receiving 9 per cent to 12 per cent by 2012.

The ACTU will also work with the Rudd government to develop equity measures including enhanced co-contributions and targeted tax relief to ensure that the low paid, those with broken employment patterns, and those without bargaining power achieve superannuation adequacy.

### **4.2 Job security**

Unions will seek support for agreements that ensure non-standard work arrangements cannot undermine the employment relationship and the protections attached to it. Such agreements would:

- Govern the conditions which would apply to the engagement of casuals and labour hire employees, together with the duration of such employment and which include a right to convert to full-time or part-time employment;
- Require employers to consult prior to the engagement of casual and contract labour to perform work normally undertaken by employees of the employer; and
- Ensure the same pay and conditions for labour hire workers as apply to the relevant employer's direct employees.



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Unions will develop strategies for Indigenous workers on CDEP to gain secure employment.

Unions will continue to campaign for the protection of 100% of employees' entitlements through improved provisions in the Corporations Law and a scheme that ensures workers receive their entitlements in full.

### **4.3 Better work and family balance**

Unions will campaign for agreements that facilitate carers remaining in paid employment and allow workers with caring responsibilities to meet their obligations at work and at home. This will mean bargaining to:

- Extend the obligation on employers to accommodate reasonable requests for flexible work to all workers with caring responsibilities;
- Extend and improve access to paid parental leave in addition to a taxpayer-funded guarantee of 14 weeks paid maternity leave; and
- Extend parental leave to all employees, regardless of their duration of employment.

### **4.4 Improving access to training and recognition of skills**

Unions will campaign for agreements that build the productive capacity of the workforce and ensure workers have more fulfilling and rewarding jobs, by bargaining for agreements that:

- Provide for effective procedures for the recognition of skills (RPL) for the purpose of gaining qualifications;
- Establish support for employees in the identification and subsequent delivery of training towards accredited and recognised qualifications;
- Introduce workplace learner representatives/delegates to identify and assist workers in gaining access to training;
- Provide for the identification of short and long term training programs to meet immediate and long term needs of employees and the business;
- Secure improvements in apprentice wages;
- Where migrant labour is employed unions will ensure that migrant workers enjoy the same working arrangements as non migrant workers performing the same job. Unions will seek agreements that address the circumstances in which temporary migrant workers on 457 visas are engaged to address skill shortages, and ensure that there are workforce development plans in place to avoid future skill shortages.
- Develop targeted programmes for Aboriginal and Torres Strait Islander people.



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**4.5 Consultation on workplace change, and workforce participation in relation to climate change solutions.**

Communications and consultation at work enhances workplace productivity and ensures workers have a say over decisions that affect them at work. Unions will bargain to require employers to consult with the workers and their unions where the employer has decided to introduce changes at work that will affect the performance of work and/or job security.

Every citizen and enterprise across Australia is affected by climate change. If Australia is to play its part in solving climate change there will be both opportunities and adjustment within many sectors of the economy. These changes will affect employees and their families as citizens and as workers.

Regardless of the sector, all enterprises should identify and evaluate the risks and opportunities that climate change presents and develop plans to participate in adjustments necessary to address climate change.

Unions will campaign to ensure that employees and their unions are engaged and consulted in the development of strategies within enterprises and industries associated with adjustments required to address climate change and the introduction of emissions targets and carbon trading schemes.

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