

# Howard's hard line on unfair sackings

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JOHN Howard will go much further than expected in his workplace reform package to be unveiled today by boosting the size of businesses exempt from unfair dismissal claims to those with 100 employees.

Increasing his election pledge by five times, the Prime Minister's decision means that not just small businesses with up to 20 workers but medium to large enterprises that account for more than 90 per cent of employers will no longer face claims for unfair dismissal.

The probation period for new employees will also rise from three to six months so employers have more time to sack non-performing workers with impunity.

Mr Howard will promote the changes to unfair dismissal laws as a significant incentive for employers to hire more workers.

The new exemption level will deny the right of most employees to seek redress if sacked and abolish up to half of the workload of the Australian Industrial Relations Commission in ruling on unfair dismissals.

Workers will still be able to make breach-of-contract claims in court under common law, or resort to anti-discrimination laws, but will have to pay their own legal bills.

After formal approval by cabinet this week, Mr Howard will today announce the details of the package of workplace reforms that will also change the way minimum wage rates are set, water down award employment conditions, limit the powers of the AIRC as a dispute-settling tribunal and impose tough new restraints on unions.

Business groups, which have been consulted extensively by the Government over many months about ways to improve workplace flexibility and increase productivity, will strongly back the package.

But unions, outraged by the extent of the changes and

shocked at losing the right to unfair dismissal claims in all except some cases, will be torn apart with pressure for strikes and street protests.

Mr Howard will unveil the package in time to present it to Labor premiers at the Council of Australian Governments meeting on June 3. He will ask the premiers to hand over their state industrial relations regimes to the commonwealth and foreshadow a hostile takeover if, as expected, they refuse.

Using the Government's Senate majority after July 1, Mr Howard plans to introduce a reform bill by August so the new workplace system can be in place by the new year.

Realising his ambition of 20 years to completely transform the industrial relations system, Mr Howard's package will transfer the AIRC's power to set minimum wages to a new Fair Pay Commission.

While a decision to cut back the number of items covered by awards from 20 to 16 will not go as far as employers wanted, they will be very pleased about a much more flexible "no disadvantage test" enabling them to trade off award conditions in negotiations with workers.

Over time, a complex system of award classifications linked to the skill levels of workers is also to be broken down so pay rates can be determined more by the labour market.

The AIRC will remain as a tribunal that settles disputes, but its powers to intervene will be limited and it won't be permitted to tamper with awards.

New restraints will be placed on union bargaining rights, with secret ballots before strikes, tougher penalties for illegal industrial action and restrictions on the access of union officials to worksites.

Unions will no longer be permitted to launch industry-wide wage claims, which will be banned in favour of negotiations specific to workplaces.

The Government will heavily promote non-union employment contracts, called Australian Workplace Agreements, which currently account for 2 to 3 per cent of the workforce but are expected to increase considerably.