



Besieged workers need a new new deal

By Adele Horin

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It used to be the catchcry of used car salesmen: "Have I got a deal for you!" And we were wise to take it with a pinch of salt. But in the global economy of the 21st century, genuine bargains abound. From superannuation to electricity, from plasma televisions to computers, consumers can shop around like never before. And most Australians in the "new deal" economy have more money to spend on it all. A more competitive global economy has made most of us richer and given us access to cheaper and better products, more opportunities, and terrific deals anywhere in the world.

So why is there so much anxiety about the Federal Government's industrial relations changes? The Prime Minister promises the reforms will make our economy even more competitive, and deliver "greater prosperity and continued increases in real wages". So far workers are decidedly hostile, and for good reason. The new deal economy with its great bargains has exacted a toll. To keep up with competitors, Australians are working harder, longer and more efficiently. Their lives are harried, their job insecurities intense, and the balanced life many desire seems more elusive than ever. Surveys tell us that, for all the prosperity, we don't seem to be happier.

The IR changes will tip the balance of power in favour of bosses, weaken protections and further intensify the pressures on workers. Employers will gain new freedoms to fire, and to strip away conditions governing redundancy pay, overtime, shift work penalties, weekend and holiday pay, and rostering. Under workplace agreements, it will be possible for bosses to pressure employees to cash in part of their annual leave. Australians will have to work even harder in a system that is more fiercely competitive to produce cheaper goods and services that we have less time to enjoy.

The latest OECD data shows Australians are already among the hardest-working people of 26 countries in the developed world. In 2003, only a handful of countries - Korea, Japan, Poland, the Czech Republic and Greece - worked longer hours than we did. Australians worked on average more hours than the Americans or the British. And given the ranking is based on hours worked per year of all employees, our position near the top of the league table is remarkable because of our high proportion of part-time workers.

The new economy promised to bring us more time to enjoy our families and our leisure but instead it dictates that more attention be paid to work. As Robert Reich, a former US labour secretary, has pointed out, the easier it is for us as buyers to switch to something better, the harder we as sellers and producers have to scramble to keep every customer, hold every client, seize every opportunity, get every contract. As a result, our lives are more frenzied.

The brilliant technology of the new deal economy, from laptops to mobile phones and home faxes, instead of freeing us, has ensured we are always on call.

People feel they must work harder in case their company loses the contract, the client, the deal, or its product loses favour to a cheaper, better, more innovative rival. Even managers on high incomes, and Australia's new army of self-employed and consultants, feel they must make hay while the sun shines in case they are on the scrap heap tomorrow.

To sustain great deals for customers, middle and top managers put in long hours. Those further down the hierarchy are vulnerable to cost-cutting, outsourcing and being replaced by technology. There is no loyalty in the new economy.

The more open domestic market affects even Australians in service industries that seem immune from global pressures. Firms that find jobs for the unemployed or look after the disabled depend on government contracts awarded through regular competitive tendering. The process may benefit customers but it plays havoc with workers' job security.

In this atmosphere, it is harder, not easier, for workers to spend more time with their families, despite the rhetoric. To some extent people can exercise choice, downshift, go slow, make a life as well as a living. But their choices are shaped by the bigger context. The competitive global economy has enriched us in many ways. But it has left many workers worn out.

Few advocate a return to protectionism, or the days of state monopolies and centralised wage fixing. A

return to the days when the cry "Have I got a deal for you!" raised cynical laughter is about as desirable as a revival of manual typewriters. But that does not mean we are powerless to restore some balance. Just as governments in the past acted to temper the extremes of laissez faire capitalism with laws to ban child labour, protect worker safety and accord basic rights, so now we need to temper the excesses of the new economy.

Unfortunately, the Government's industrial relations package, far from providing some protection from Australia's culture of long hours and high stress, will exacerbate it. It gives too much power to employers to dictate terms and conditions and too little protection to workers. Even benevolent employers will have to follow competitors that exercise their new powers to ramp up pressure and cut costs.

Australia is a hard-working, competitive society as it is. The economy is strong. We don't need more radical reform. It's time for a new deal to create more balance in our lives.

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