

New workplace law 'won't create jobs'

Warning of uncertainty, insecurity

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A PAST supporter of the Howard Government's workplace law changes has attacked them, saying they would not deliver more jobs but could generate greater employment insecurity.

Melbourne University Professor Mark Wooden rated the proposed changes "a C minus" because they did not promote real choice for workers.

He told a conference yester-

day that plans to exempt businesses employing up to 100 workers from unfair dismissal laws could cut jobs rather than generate them.

"Among larger businesses the employment gains are likely to be small and could even be negative," he said. "The cost, on the other hand, is great uncertainty and insecurity for some Australian families, directly contrary to the aims of the reform agenda."

Professor Wooden told the

Australian Conference of Economists that the plans were full of "political speak" about choice and appeared "unable to deliver any proposal that will fundamentally help the unemployed to secure employment".

He said the changes sought to cut award standards and undermine protection for collective wage deals by removing the "no disadvantage" test.

"If a group of workers decide that they would like to bargain collectively, there is nothing in the current legislation, or in the proposed reforms, that will require employers to bargain in good faith. Instead the fear is

that many employers will offer their workers individual agreements on a 'take it or leave it' basis," he said.

"If the aim of the IR reforms is to provide employees with real choices, then I am on (ACTU secretary) Greg Combet's side — the right to bargain collectively needs to be protected."

Mr Combet said Professor Wooden's "realisation" was an indictment of the changes. He said a growing number of other workplace academics had also begun to have reservations.

"Professor Wooden recognises these changes are not going to boost choice or pro-

ductivity," he said. "They are going to boost profits at the expense of working people."

A spokesman for Workplace Minister Kevin Andrews said: "Collective bargaining has always been protected and will remain so into the future."

Professor James Galbraith told the conference on Monday that industrial deregulation did not lead to more employment. He had gathered evidence suggesting unemployment rates were lower in countries that regulated rather than deregulated labour markets.

Senior workplace researcher Ian Watson, of Sydney Univer-

sity, said the changes would have little effect on productivity because Australia's shift to a services economy had begun to slow productivity.

He said global competition and the Government's 1996 workplace laws had cut labour in manufacturing but this could not be done in service industries, such as health, education and hospitality, without affecting quality. "The real way to boost productivity is through investment in technology, skills and infrastructure, not by cutting wages and conditions."

Professor Wooden's speech **BUSINESS**