

ON THE DRY SIDE THE OPPOSITION'S I.R. POLICY      John Hyde  
The Opposition's industrial relations policy had an unusually difficult childhood, but now that I see the debutante, I like her. She might grow into the lusty, provocative, persistent individual who changes important aspects of the way we live - for the better!

The influence of others is evident but there is no doubt about her parentage; she is John Howard's baby. The same baby which was reviled by all who refused to learn to know her. In the face of sustained criticism Howard has cajoled and won the respect of the Opposition Parties, the Business Council and the Confederation of Industry for his ugly duckling. He could not have done it if his child had not been inherently worthy, and it seems to me that Howard has demonstrated leadership where leadership matters most - in adversity.

On the one hand the policy is criticised for not abolishing the Arbitration Commission and for not offering a panacea for the economy. On the other it is criticised because it might provoke industrial action and because it is not 'The Accord'. Indexation is incompatible with recovery (J curved or otherwise) and the inflexible 'Accord' is thoroughly discredited; and any realistic policy suffers the other criticisms. A realistic policy is one which could improve a bad situation but from which weak, fallible and gentle people (like you and I) will not retreat when thugs show they are prepared to disrupt our lives and even spill blood for union power. Call me 'wet', but I see as little virtue in rattling one's sabre at an opponent who is too strong to awe, as I see in his appeasement.

When a nation has been living beyond its means for sixteen years, has accumulated foreign debts so high it is meeting the interest only by raising new debt, has inflation which has run away from that of the rest of the world and tolerates eight percent unemployment it is unlikely to have a quick-fix left in its bag of political tricks. Australia has not.

Long term solutions must go to root causes and a root cause of the inflation, debt and unemployment is the monopoly power of trade unions.

Allowing employees and employers by agreement to opt out of awards, and repealing preference-for-unionists clauses in awards, does this without offering union managements a cause celebre on which to base general industrial action.

Union power depends on the credible threat of concerted action, which in turn ultimately depends on the union privates obeying the union generals. It therefore should not surprise us that the generals dislike a policy which encourages the privates to do their own thing.

In some ways, dealing with trade unions is for a government like dealing with another nation. They are out of the world of the

rule of law, and in the amoral uncodified world of real politics where a Prime Minister can no longer simply ask "what should I do?" but must ask "what can I do that is in the interests of my state?" The law is no longer binding. In some matters 'sovereignty' lies with the unions.

The Hancock Committee recognised this by describing unions as centres of power which unlike civil litigants and sportsmen did not accept adjudicators' decisions. Dr. Peter Scherer, in 'Wages Wasteland' (published by Hale & Irmonger) described unions as "unruly principalities rather than vassals of the state." In the same book Professor Lauchlin Curran asked, "What can those who are committed to the value of representative democracy and liberty do?" And answered his own question this way: "The first is to acknowledge that it is unrealistic to expect governments to do anything positive, for the very problem is not the absence of legal or constitutional capacity but an absence of political capacity..."

A government's options are therefore limited. However, union rank and file, whose interests are often not well served by their generals, and unemployed job seekers, whose interests are seldom considered, are potential allies of deregulation. These potential allies become actual by giving them the legal opportunity to do things which their own common sense dictates. By example they then encourage others, as the slaughtermen at Mudginberri have shown the way to other abattoirs, until submission to union domination is only by choice.

As recently as the First World War deserters were shot because the generals knew that desertions soon caused a rout. Unions are less ruthless and more subtle than armies. They encourage allegiance many ways, some of which offer members valuable services such as superior negotiating skills, monopoly bargaining strength, advice, insurance, welfare, and a sense of community.

Membership is also encouraged by denying non members employment, subjecting them to epithets such as 'scab' or sending them and their families to Coventry. Unionists have resorted to physical injury of other workers but mostly they rely on an appeal to solidarity backed by verbal abuse and financial injury to employers who engage non unionists.

In Australia these encouragements, which are powerful in themselves, are backed by awards which require employers to give preference of employment in specified occupations to members of specified unions. This saves union bosses of the need to win each membership with an offer of service. Without leakage of membership at the margin it is no wonder that Australia is union dominated.

The Liberal policy would give all employees the legal right not to join a union. The opportunity to be free of the award is restricted to those employed by enterprises with less than fifty employees and to matters other than the award hourly minimum rate

even if that means unemployment.

Some say it is a whimperish policy. In a sense it is, but unlike past sabre rattling it can be implemented and it is the seed of greater freedoms. Awards, written by men without work face experience for the conditions that applied yesterday for some workers and some companies in Melbourne never maximise employees' and employers' rewards. There are always opportunities for deals which make both parties better off. As workers see the advantages gained by others more freedom will be demanded from unions and the law. Unions, whose members can now elect not to join, will accede to rank and file pressure. At least that is the reasonable hope.

If Labor, which now knows that it must deregulate the labour market, steal his policies John Howard should not worry. He is governing from the Opposition benches and whatever is achieved before the general election will make governing after it that much easier.