



Legislative Council

25/08/88

GOVERNOR'S SPEECH: ADDRESS IN REPLY

Fifth Day's Debate

Extract

The Hon. A. B. MANSON [10.33]: At the outset of my first remarks in this Chamber I express my appreciation to all honourable members, parliamentary staff and officers of the Parliament who, since my election, have extended to me all possible courtesies and assistance. Their dedication and willingness to help is invaluable in these early weeks as a new member. Without their services this Legislative Council would not function. As a member of the Australian Labor Party and a representative of the broad Labor movement, I welcome the opportunity to represent my party and the working people of New South Wales. I am deeply conscious of the privilege conferred on me by the people of New South Wales. I trust I can render a service to those people and assist in their struggles for a just and equitable society. When I consider the role played by working people in our society, I am deeply honoured to represent them in this Parliament.

I pay tribute to my parliamentary Labor Party colleagues who have worked diligently over the years to improve the lot of their fellow citizens of New South Wales by promoting the policies and platforms of the Australian Labor Party. During my period of service in this House I shall endeavour to maintain that standard presented by my Labor Party colleagues and I look forward to their continued collective guidance in this Parliament. On Wednesday, 17th August, this Parliament was called together to consider the Government's legislative and financial proposals for the second session of the Forty-ninth Parliament of New South Wales. At the commencement of His Excellency's Speech, the Governor reported that the New South Wales economy is performing better than economies of other States of Australia in terms of employment, consumer spending, home building approvals, non-residential building approvals and trading bank lending to business. His Excellency went on to say that growth in this State exceeded increases in other States for most of the past year. The question I ask is: why are we performing so well?

I suggest that one of the major reasons this State is performing so well is because of the contribution made by the workers of this State, supported by their trade union organizations. As a trade unionist I am compelled to answer the anti-union, anti-worker statements made by some Government members. As all honourable members would be aware, the Australian economy has undergone vast changes over the past decade. We are totally integrated into the global system of capitalism. Our economy is undergoing major restructuring, and this has been particularly so since the federal Labor Government came to power in 1983. Our financial system has been deregulated. Sixteen foreign banks now operate in Australia. The majority of housing loans are now deregulated. The floating of the Australian dollar and its subsequent devaluation created a crisis for the Australian economy. The price of imports rose significantly and the prices of exports fell by a corresponding amount.

Repayments of most of our foreign debts and overseas loans also increased. We faced a high current account deficit and our foreign debt went through the roof. The federal Labor Government, in co-operation with the trade union movement, set out to restructure the Australian economy. The trade union movement recognized the seriousness of the crisis and elected to give priority to jobs over wages. Over the period of the federal Labor Government the number of jobs in Australia increased by more than 1 million. This progressive development, so far as New South Wales is concerned, is referred to at page 3 of the Governor's Speech where he said:

Nowhere has the improvement in the State economy been more evident than in the labour market. The unemployment rate has fallen from 8.6 per cent in June 1987 to 7.3 per cent in June 1988. During the last financial year, 123 000 persons found jobs in New South Wales compared with a total of 240 000 in Australia as a whole.

The trade union movement took a number of steps designed to create jobs. For example, unions agreed to trade off productivity wage increases for superannuation, which created significant domestic funds

for capital investment. In addition, the trade union movement has succeeded in negotiating industrial development packages in the clothing, textile, car, and steel industries, which included a commitment by employers and governments to increase capital investment. These agreements also provided for retraining and re-employment programs, and for redundancy pay where workers were displaced. However, employers largely failed to invest their additional profits in the development of our export industries, and this remains a major problem. Much of the investment taking place is of a speculative nature, while other funds are being invested overseas.

Employers have gained the benefit of the accord and continue to increase their profits irrespective of the social effect on workers. The Organisation for Economic Co-operation and Development, the OECD, in releasing its 1987-1988 annual report on 9th August, praised the economic reforms implemented by the federal Labor Government over the past few years, and suggested there is no credible alternative to the present policies. The OECD forecast that Australia's inflation rate would fall to under 5 per cent in the second half of 1989. This prediction was based on lower import costs and lower unit labour costs. Trade unions have exercised wage restraint, when economic growth and profit levels are increasing.

Industrial disputes are a third of what they were 10 years ago. Unions gave a commitment to no extra claims. Productivity increased by changes to work practices. These improvements were achieved through co-operation and a consensus approach which has been developed between the federal Labor Government and the trade unions through the Australian Council of Trade Unions. We on this side of the House are seeking that this positive approach should continue in New South Wales. However, while working people continue to carry the burden of the economic crisis, by reduction to real wages and living standards, the Greiner Government adopts a confrontationalist policy which is anti-worker, anti-union, anti-everything that is progressive.

There will be no winners if the Government continues to adopt the policies of the New Right. Investors will look at other States where government, unions and employers by consensus approach can resolve potential conflict. Where industrial philosophy is "based on blood, guts and fear", profits will suffer through low productivity, high absenteeism, and high labour turnover, and industrial conflict will escalate. Where industrial philosophy is based on dignity of the individual, Australian workers will respond positively to good and fair management.

Testimony of many senior managers recognize that changes are occurring in the industrial relations system. These changes have meant that attitudes are more directed towards consensus and co-operation instead of confrontation; industrial disputes have been significantly reduced; and, employers, government and trade union leaders are working together. Most State governments recognize the trade union movement represents a significant section of the community. Trade unions cannot be written off as a few vested interest groups that are out of touch with community thinking.

Honourable members on both sides of Parliament will not forget the history making education rally one week ago. By all accounts, it was the largest New South Wales citizens gathering in over a decade. Those protesting citizens of New South Wales were not stooges for the Teachers Federation; there was clear evidence that the students, teachers, and parents had made a conscience decision to protest against the Government's education policies. There is no doubt in my mind they represent a much larger percentage of the population. Government statements that the rally was a flop, that the protesters were incited by the Teachers Federation, fly in the face of reality, and are not accepted by some Government members. The Government, in the interest of all citizens of New South Wales, should see the need for consultation and ongoing dialogue with the trade union movement, which has capable leaders in their own right. All wisdom does not come from Cabinet, nor the business sector.

Page 5 of the Governor's Speech states the Government is committed to the abolition of unnecessary business licences, laws, and regulations. It is proceeding to establish one-stop-shop business licensing, and introduction of a single licence regime for business. On the surface this seems like a progressive step. However, if the Government removes the laws, reduces regulations governing workplace safety, or returns to self-regulation that some employers argue for, this would retard improvements in workplace safety that have been developing since the introduction in 1983 of the Occupational Health and

Safety Act.

The latest report from the New South Wales Department of Industrial Relations and Employment research unit reveals that between 1982-83 and 1984-85 there were 346000 employment-related injuries that resulted in absences from work of at least three days. The key point in the report reveals that there has been a decrease of nearly 30 000 work-related accidents in the three years following the introduction of the 1983 Occupational Health and Safety Act. As most honourable members would be aware, the Act provides for workers to elect their own workplace safety committees and employers must provide a safe working environment. Despite the good news that work-related accidents are decreasing, there were 767 work-related fatalities in New South Wales in the three years to June 1985. This represents one death every normal working day of the year in New South Wales; the cost in human suffering is beyond calculation.

The dollar costs paid in compensation during the three years to June 1985 was \$1.7 billion; this cost is only the tip of the iceberg. Employers cannot insure for production losses associated with investigation of accidents, idle time due to interruption of work, loss of skilled and experienced workers, lowered employee morale, and many other intangible losses. The Government may be correct in abolishing unnecessary laws and regulations; however, so far as safety laws and regulations are involved in New South Wales, there is a need to strengthen safety regulations in high-risk areas such as the building and construction industry. Employer organizations agree with building unions that the demolition section of the building industry is a high-risk area and regulations should be introduced to licence all demolishers. Two fatalities in the building industry over the last three months have sparked unions to step up their campaign for improved safety on building sites.

Despite the union's campaign to bring safety to the forefront, three weeks ago in King Street—no more than 10 minutes walk from here—a 44- year-old building worker was killed. That tragedy, like many others, received no media attention. Many large property developers have supported the building union's demand for tighter safety regulations, and more safety inspectors to ensure that the fly-by-night builders who come into the industry during boom periods are made to comply with those safety regulations. What is needed in the high-risk building industry is a tightening and expansion of regulations and sufficient resources at the work face to ensure that these regulations are strictly adhered to.

In conclusion may I thank you, Mr President, and all honourable members for their indulgence in my first contribution in this Chamber. I congratulate all honourable members who have made their maiden speeches in this session and the last session of Parliament. I should like to pay a tribute to my wife, Jacqueline, and my three children for their unselfish support in my political and industrial apprenticeships in the Labor Party and the Building Workers Industrial Union. That union has advanced living standards not only for building workers but also for workers in many industries and is a union of which I am proud to remain a member. I should like further to thank all my Labor colleagues who have given me practical advice and assistance since I commenced my parliamentary apprenticeship. In particular I thank the Hon. Delcia Kite and the Hon. John Garland for their encouragement and assistance.