

Gillard backs workplace co-operation

Steven Scott

Big business wants the federal government to adopt a series of reforms to prevent industrial disputes under its workplace relations system amid warnings that the adversarial system could stifle economic growth.

In proposals that have won backing from Workplace Relations Minister Julia Gillard, the Business Council of Australia called on the federal government to give Fair Work Australia or the Fair Work Ombudsman a greater role in preventing disputes and helping to smooth employer-union relations.

The agencies could gain broader powers, modelled on Britain's Advisory, Conciliation and Arbitration Service, including advising companies about improving human resources practices.

KEY POINTS

- The Business Council wants to see good faith between parties.
- Some international measures are designed to prevent disputes.
- The Fair Work Act may lead to a return to an adversarial system.

The Business Council plans to pursue reforms designed to foster greater collaboration between business and unions under Labor's collective bargaining regime.

A discussion paper written by Anthony Forsyth of Monash University endorses methods used in Britain, Ireland, Canada and the United States to prevent industrial disputes instead of simply resolving them when they arise.

The federal Fair Work Act pro-

notes co-operative workplace arrangements but stops short of the adopting the "expansive dispute prevention capacity".

Dr Forsyth argued the government's agencies needed a more explicit mandate to prevent disputes by promoting "best practice" employment arrangements.

He said the government should borrow from comparable jurisdictions that have shifted away from regulatory intervention in disputes and have focused on dispute prevention through mediation, training and advice.

Although the role of "good-faith bargaining" in the government's system, which forces both sides to disclose information and negotiate openly, was likely to reduce the incidence of industrial disputes, Dr Forsyth warned that "significant resources" would need to be

devoted to changing the adversarial bargaining culture.

BCA chief executive Katie Lahey said the good-faith bargaining requirements were vague and could be misused.

"At a time of economic uncertainty and significant global challenges, there's a real risk of a return to strongly adversarial approaches as new workplace agreements are struck," she said.

"The government's stated commitment to co-operation and productivity needs to be matched by properly resourced initiatives aimed at moving workplace relations parties away from the adversarial approaches of the past."

Fair Work Australia or the Fair Work Ombudsman should be given a stronger role in preventing disputes, Ms Lahey said.

"If the new system is to work, it

must guard against attempts to disrupt constructive workplace relations," she said. "The new system needs to do all it can to prevent disputes and promote workplace collaboration.

"We will need new levels of workplace co-operation to meet these serious challenges. We must not become bogged down in the mud of industrial relations disputes in our drive for higher growth."

Ms Gillard has backed the concerns raised by the Business Council, describing the discussion paper as a "valuable contribution to the productivity debate".

"The Rudd government agrees that achieving collaborative and co-operative workplaces is essential if Australia is to be internationally competitive," Ms Gillard said.