

WORKPLACE RELATIONS FRAMEWORK INQUIRY

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This submission will appear in point form for ease of reading and is being made in response to the Australian Government's request for the Productivity Commission to explore possible improvements to Australia's workplace relations system.

Assumptions

- Every system is limited by its overarching structure/s and policies.
- Apart from death at work, the greatest concern in 21st century workplace relations is fear of unemployment and fear of business viability (includes income security *and* identity issues).
- The "options" ("choices") generation, that is, the majority of 40-60 year old employed people, have a different perception of the meaning of the term "options" (choices) than today's young people of working/school age. For these 40-60 year olds, "options" have been embedded in their culture in ways that nurture and support life-long commitments. Mutuality and shared responsibility are possible within this culture.
- For younger people, work casualisation has also become embedded within a highly, fragmented, postmodernist culture. In this unprecedented period of rapid change, the notion of *commitment* now means:
 1. serial monogamy;
 2. health, family and work relationships increasingly forged and maintained *through* use of technologies; and
 3. a capacity for high mobility (local and international), resulting in a redefinition (and loss) of the notion of shared responsibility. "Options", in this other culture, has the markings of "project-based life-work styles" where the notions of mutuality and shared responsibility have become distorted and more fragmented.

Background

The current Workplace Relations Framework (WRF) has been responding to work-related issues based on an outdated set of assumptions (points 1 & 3). An ageing population, changing labour markets, increasing constraints on economic performance, reduced government spending capacity, and increasing youth poverty and social exclusion, are all contributing to the need to maintain

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social protection policies *whilst also* ensuring the strengthening of preventative measures to alleviate increasing poverty and social exclusion. Siloed thinking is counter-productive in this context. According to the Council of the European Union (2014), reforming only the pension systems will not be enough. The adequacy and sustainability of pensions are closely linked to economic performance and labour market developments. Adequate investment in human capital and chronic disease prevention is essential (p. 72).

Suggested *integrated* strategies for improvement:

1. social protection schemes (including minimum income and unemployment benefit schemes) *should* lead to labour market and social inclusion by:
 - simplifying access to benefits;
 - avoiding very strict low income targeting;
 - careful consideration of the adequacy of benefits; and
 - *continuous* support for labour market re-integration (through job training, job search etc).

2. **Social Inclusion by:**
access to enabling services, such as, healthcare, early childhood education and care, and education, *combined with* benefits and tailored active labour market policies.

3. **Reduction of long-term care dependency by:**
 - strengthening of health promotion and disease prevention initiatives, with reduction in unnecessary use of specialist and hospital care;
 - improvement of care coordination, an adequate and skilled health workforce;
 - use of eHealth and health technology assessment (and *no* robot companionship); and
 - secure stable funding mechanisms.

4. **Enhancing support for informal carers by:**
 - increased use of validated carer assessment tools;
 - flexible work-carer policies *with* skilled support available to employers in relation to working carers and employees with life-threatening illnesses;
 - available supply of respite and long-term care;
 - increased *appropriate* re-training opportunities (not necessarily in the *caring* professions); and
 - recognition of voluntary contributions to society in lieu of low superannuation contributions as part of a social policy platform (gender issue).

5. Changing retirement patterns (years in employment and years in retirement by):

- removal of barriers to restricting older workers employment;
- raising pensionable age and linking it to developments in life expectancy;
- strengthening incentives and opportunities for longer working careers and later retirement;
- keeping the pensionable age while concentrating on closing the gap between this and the effective retirement age;
- pension indexation;
- tightening the relation between the length of contributory periods and the level of pension benefits (*with exemptions* for carers – the majority of carers are women);
- strengthening equity in pension policy with due considerations to working conditions (*and* health status of workers); and
- career breaks and REAL equal opportunities for men and women in the labour markets.

6. Transitioning youth into sustainable employment by:

- targeted support for young people, for example: establishment of one-stop-shops for young people with close link between benefit support and assistance in job hunting; and
- career developments opportunities, in finding adequate education and training options.

7. Other considerations:

- employment of foreign workers (on 457 Visas) in place of Australian workers ... and the lack of monitoring, evaluation and accountability measures and procedures as part of this policy;
- impact of foreign ownership incentives in domestic housing market on Australian-born first home buyer market;
- identifying distinctions between the impact of industrial relations policy on small, medium and large businesses, and addressing employment disincentives accordingly;
- identifying levels of discrimination in recruitment and employment trends and how to address them (key issue is reluctance to inform others and challenge discrimination); and
- strengthen relational strategies in workplaces to reduce legal options for conflict resolution e.g. encourage exit interviews as part of employer-employee accountability, *with* follow-up feedback on agreed actions.

References

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2. Council of the European Union. 2014. *Review of recent social policy reforms for a fair and competitive Europe: 2014 Report of the Social Protection Committee*. Eurofound. Dublin. October. pp. 71-73.