

Innes Willox, Chief Executive of national employer association the Australian Industry Group

Speaking to Brendan Arrow, News Radio, 19 October 2022

Brendan: The Federal Government has confirmed new workplace relations legislation will ban pay secrecy clauses so companies can't prevent staff from discussing their salaries. Federal Cabinet has signed off on the bill, which the Albanese Government says is aimed at helping low paid employees negotiate higher pay packets and better conditions. One of the biggest points of contention is multi-employer bargaining, where unions can negotiate pay deals for workers across multiple employers in a single industry.

Innes Willox is chief executive of the Australian Industry Group and he joins me now.

Thank you very much for your time today on ABC News Radio.

Innes Willox: Morning, Brendan

Brendan: Can I just get your first reactions, your initial reactions to what you're hearing will be in this new workplace relations legislation?

Innes Willox: Well Brendan, just for a bit of background. Employer groups have been in conversations with the Department of Employment since about the week after the Jobs and Skills Summit, and that's largely been the department asking a series of questions, you know, responses to propositions and the like. But nobody on the employer side has seen any detail.

There has never been any framework put forward as part of this. There has never been any discussion around what exactly is being proposed because employers haven't been told what's being proposed. So, we're very much in the dark here with a less than ideal process, and we'll find out a bit more, but it's very much a fait accompli. So, I think at the very least, you could say there's deep frustration among employers and employer groups at how the Government has run this process. So, we're a bit in the dark exactly as to what the Government is proposing because they haven't shared anything with us in terms of detail.

Brendan: Alright, so what you're saying is they engaged you in a bit of a one-sided conversation, just putting forward scenarios to your organisation and various groups, just getting feedback but not providing anything back to you guys.

Innes Willox: Well, exactly. We haven't seen anything in terms of detail of what they are proposing, what they're thinking. In fact, as late as Friday in the conversations, they made it clear that they were hoping for more discussion and dialogue with the employer groups and asking if we had any further questions in response to their questions to put them forward. So to put it mildly, the fact that the government has suddenly put this through Cabinet has come as an enormous surprise.

Brendan: We were hearing when the Jobs Summit took place, the Albanese Government saying that this was going to be government done differently, that consultation would occur, that people for and against would be brought together to discuss things out. Has that somewhat been abandoned here after that job summit at least in this scenario?

Innes Willox: At no point up until now, Brendan, has the Government brought together employers and unions to discuss what's being proposed or considered.

Brendan: Okay. Well, we are hearing some things that have been let out of the bag a little bit, a few bits of information teased out with one of those being the possibility of multi-employer

bargaining. We've heard the opposition today come out saying that they are wary of that process going forward. What's your stance on this idea of multi-employer bargaining?

Innes Willox: Well Brendan, what this is really referring to is a union claim to take us back to 1970's style industrial disputation. What it's going to lead to undoubtedly is more strikes and less jobs. It's going to mean that across the economy businesses that are in some way connected and we still don't know how or if that is through supply chains or through sectors, you know...they will be impacted by industrial action to drive wages, wage claims on behalf of particular parts of the economy. It's going to lead to more strikes and less jobs. And so we're very concerned because the Government has not yet indicated what sectors of the economy this would cover, how it would protect employers who don't want to be involved in multi-party bargaining from being picked up in industrial disputes, and they haven't made clear exactly how what they're proposing would work, nor have the unions, through this entire process. So, we would hope that there will be, at the very least, significant protections for employers. If this is to go ahead, and that it is limited to key parts of the economy. If it is for the aged care sector, the health care sector, those parts of the economy are covered by the awards. And if it's an issue of driving pay up, it fundamentally comes back then to an issue of government funding. These are government-funded sectors of the economy. The Government will have to pay more to drive this.

Brendan: I appreciate much of what we are having to talk about here for you is in a hypothetical situation because as you pointed out, you don't know the details of what is in this new workplace relations legislation. Another aspect they are pointing out, the Government, the banning of pay secrecy clauses. Does your organisation have an issue with that being removed, or if made to be illegal?

Innes Willox: Again, Brendan, we need to see the detail of what the Government is proposing and they haven't provided any detail on that yet. We will have to work through exactly what they mean around pay secrecy and then eradicating it. Again we're a bit constrained in what we can say because the Government hasn't shared anything with us.

Brendan: Well, Innes, I appreciate you taking some time out of your day to try and clarify things as best we could.

Innes Willox: Thanks, Brendan.