

DRAFT

MR. HAWKE'S SPEECH AT THE "INDUSTRIAL RELATIONS IN THE 1970'S" SEMINAR

OFFICIAL DINNER

BRAMBLES INDUSTRIES LIMITED

Chairman, Pauline and Gentlemen,

Thank you first of all Mr. Chairman for the invitation to be here this evening, I thank you very much for the opportunity that you have given me to talk on the important subject of Industrial Relations in the 1970's.

I think I should open my remarks to you by saying that I believe that dinners organised by employers and employers' organisations are very dangerous affairs. I don't think they are dangerous, Mr. Chairman, for those who organise them, although I am sure that you have your fair share of hazards and your worries in getting them off the ground. I don't think they are particularly hazardous or dangerous for those ~~whenever~~ of ~~xy~~ you who participate in them because obviously by looking around a meeting like this you are enjoying yourselves no end. So I don't think they are dangerous, these dinners, for the organisers or the participants. I think particularly they seem to be occasions which are hazardous for the Arbitration Commission, because, as a student of history, I find that when you look at what ^{HAS} happened in Australia over the recent two or three years it seems to be occasions just like this, dinners of employer organizations, when Ministers of the Crown and leaders of industry, let forth with all their bottled up emotions about the system and its decisions.

Now, so that all of you will understand that I am not taking this off the top of my head, but that I am basing it ^{upon} ~~on~~ fact, let me produce for you the proof of the fact that it is at dinners like this ^{WHEN} ~~that~~ these Ministers of the Crown and leaders of Industry do

in fact ~~xx~~ let off with their feelings ~~xxxx~~ about the Arbitration System and about its decisions.

First of all, for example, let us go to the "Age" of the first of March 1968. Now on the 1st March 1968 ~~xxxxxxx~~ we had a heading by the sub-editor "Minister returns to attack on Arbitration". Now this was a report on an address by Mr. Berry, who was ~~xx~~ ~~xxxx~~ then fairly lowly in the hierarchy - he was only then Minister of Labour and National Service. He is now, as you know, Mr. Willis, you are concerned with these Commonwealth State Relationships, he is much more importantly placed now, ~~xx~~ he is Treasurer - (it shows?) to determine how much you've got or you haven't got. ^{But} At that stage, the 1st March 1968 he was the Minister of Labour and National Service and so, the Age, being a social reporter of things that happened said "Minister returns to attack on Arbitration". Now this ~~little~~ ^{was a} report of an address which he gave at a dinner, this is why I say that dinners are ~~xxxxxxx~~ dangerous things, and at this dinner which was given on the ~~pre~~ previous day at the Associated Chamber of Manufactures of Australia, returned as the paper said to his attack on Arbitration. Now before we understand what the attack ~~xx~~ was on Arbitration to which he returned as people concerned with what was in fact happening we should understand why he was returning to it, what had he done before? Well, what he had done before was to make a statement on the 12th of December, 1967, which all of ~~xx~~ you ⁱⁿ Industrial Relations then well primed was the day of a very important decision. It was the day of a thing called the Work Value Judgement in ~~M~~ the Metal Trades. Now, Mr. Berry ^{as} ~~was~~ the Minister of Labour and National Service had something to say on that day and his words, as reported, infallibly of course, in the Age were along these lines, ~~xxxxxx~~ he said "history will determine whether the members of the Commission who today handed

down a majority decision in the Metal Trades Case had come to a '~~XXXXXXXX~~ calamitous conclusion with lasting consequences for the Australian economy." He said in his impartial fashion (that is not a quote, but this is) "the decision disregarded the most elementary workings of the Australian Labour Market (and still ~~XXX~~ within the quotes so that this is directly attributable to Mr. Berry in his then capacity as the impartial Minister of Labour and National Service, he said) the Commission has side-stepped this responsibility." Now, that was his original statement and so what we ~~XXXXXXXXXXXXXXXX~~ have returned to in this statement in the Age on the 1st of March is what is said at a dinner of the Associated Chamber of Manufactures of Australia and in this he attacked the decision of the Commission that had been handed ~~down~~ down in December of 1967 and he made two memorable comments, the first "the Arbitration Commission should not dream up economic theories nor should it seek to determine Government economic policy." His second ^{MEMORABLE} ~~little~~ statement was "an Arbitral authority like the Commission is essentially an adjudicator seeking to weigh evidence submitted on claims made before it for determination", and in the process, I might say in passing Mr. Chairman, of making those very impartial statements in regard to a decision which he looked at impartially, he said that it was extremely important that these things should be sorted out for the purposes of establishing and maintaining healthy industrial relations in Australia in the future. So there was the first dinner at the end of February in which ~~these~~ these things had been talked about.

Then I recall Mr. McMahon who on the 2nd June 1968 was the Treasurer, ~~but who~~ the previous gentleman I spoke about also had ambitions to go higher in the political hierarchy, I think they had been frustrated as I understand the newspaper reports. But at any rate as Treasurer on the 3rd June 1968 addressing a dinner

again of the Metal Trades Employers Association of Australia he ~~ix~~
~~was~~ ^{WITH} the Chief Judge of the Arbitration Committee seated three seats
from him on the left, on this occasion, ^{I HAVE} ~~and~~ his Honour, Mr. Justice
Moore seated ~~x~~ four seats from me on the left, so I'll have to be
a little bit kinder to him, for this reason, because he is one seat
further~~x~~ removed. On this occasion at this dinner the head of
the department attacked Kirby on wages. He warned the Arbitration
Chief on inflation and said they had misunderstood fundamental
economic rules as to the way in which Australian economy operated.

A month later we had at another dinner of the Australian
Metal Industries Association, this time in Brisbane, to show that
we have geographical ~~immunity~~ immunity, Mr. Adams on another attack
on the Commission, saying that what had been done by the Commission
at the end 1967, ^{and I quote} "was one of the greatest blunders ever made in
Arbitration" and he said in ~~x~~ the process of addressing himself
to a group of people at the Associated gathering of employers in
Brisbane "it was time to withdraw confidence in the Arbitration
system and to improve industrial relations".

Finally, and I want to refer to a celebrated speech of one
of our guests here tonight, one of the people again from the employers
Mr. D. G. Fowler, who at that stage, and I can't keep up with it now,
but on the 20th July at least 1968 his position was ~~the~~ National
Secretary of A.M.I.A., the Australian Metal Industries Association,
and on that occasion he was addressing another dinner, the Annual
Dinner of the Tasmanian Chamber of Manufactures in Hobart,
appropriately, and in attacking ^{the} recent decisions of the Arbitration
Commission he was reported as saying that the result of the decisions
that had just been handed down by the Arbitration Commission was

very likely, and I quote him "to ~~xxxxxxx~~ result in mass unemployment around Australia" comment at this dinner
when he was attacking the Arbitration system he said, quote " the Federal Government may take control of wage rises unless the Commonwealth Arbitration Commission became more restrained."

Now, ~~Mr~~ I think you can see, Mr. Chairman, why I say that dinners are very dangerous affairs for the Arbitration Commission. Spokesmen for the Crown, spokesmen for the employers organizations in the past, sue, ^{I THINK} quite unreasonably of course, to take advantage of dinners of employers or employers ^{ORGANIZATIONS} ~~xxxxxxx~~, to attack the Arbitration Commission.

Now, you will appreciate Mr. Chairman, that I am not a Minister of the Crown, nor am I a leader of Industry. I believe there are some who have me ~~in~~ entitled as a misleader of Industry - but it does seem that these people, the Ministers of the Crown and leaders of Industry have set a pattern which we lesser mortals should not lightly ignored. Particularly is this true, Mr. ~~Mr~~ Chairman, if we are talking about the future pattern of industrial relations in Australia, and as I understand from ^{you} ~~the news~~ this is my brief.

If therefore in the course of discharging that brief that you have given ^{to} me tonight to speak to you about the future pattern of industrial relations in Australia I do find it necessary to attack the Arbitration system and ^{if} in particular, I find it necessary to attack some of the recent decisions that have been given within that Arbitration system as being relevant to the pattern of industrial relations in Australia in the 1970's, I am sure that you Mr. Chairman will appreciate that I am doing no more responsibly than following a pattern set by those men who I am sure would

regard themselves as responsible men when they attack the Arbitration system and the decisions given by it.

Now, before I come to the aspect of my address which will therefore be regarded by some of the cadaverous people as the main course I would nevertheless like to go to the entree. IN INDUSTRY(?) I believe which is discussed in terms of its future that whether you are talking about industrial relations in Australia, the pollution of cities in Australia, celibacy for the priesthood; whether ~~you~~ ^{WE} ~~are~~ ^{are} talking about any of these ^{SOME OF} situations into the future and by definition~~x~~ that discussion is only ~~capable~~ capable of being discussed ~~mean~~ meaningfully if this is in fact put in a way which takes proper account of the problems of dimension.

Now, it seems to me that this has ~~xx~~ a two-fold inter-related aspect. That if you are talking about the future of industrial relations or the future of any other particular situation. In the two-fold inter-related dimension is this: First of all you have the dimension of time, that is, ~~ifxthexxxx~~ future industrial relations in Australia will obviously reflect the past and the present pattern of Industrial Relations. It will reflect the factors constituting those present and past relations and it will also reflect the parties assessment of those relations and those factors.

The second aspect of this ~~xx~~ dimensional problem is what I think for instance the lateral dimension. That is the connection of industrial relations issues with other matters which perhaps might not normally be identified as being within the field of industrial relations, but which will nevertheless not only impinge upon those relations, but will in fact significantly determine the attitudes of parties in the fields of industrial relations.

So ~~you~~ you have, as I say, this two-fold dimensional problem when you talk ^{ARE} ^{IN} about the future industrial relations. You have the problem of dimension which says you won't significantly talk about what future industrial relations are going to be in Australia, unless you relate that future to the present and to the past and you have as I say a lateral dimension, that is relating the issues which go to industrial relationships which while not normally being included ^{WITHIN} ~~in~~ the dimension~~s~~ of industrial relationships will nevertheless impinge upon them.

Now, I believe if you are going talk about this issue and in fact whether you are going to talk about it or not that this dimensional problem of putting the discussions about future industrial relations in its proper setting is rarely understood by those academics who profess on ^{THE} ~~a~~ subject by those editorialists who write about it, by those spokesmen ~~who~~ for employer organizations who write about ^{IT} ~~it~~, by those trade union people who write about it, I believe that ^{THE} ~~the~~ dimensional aspect is very rarely understood
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Now, Mr. Chairman, I think probably this is my main point I want to make tonight. It is ~~my~~ my very firm belief that the quality of future industrial relations in Australia will depend predominantly upon the extent to which Government and employers appreciate and acknowledge the rightness of the trade union emphasis upon the lateral dimension of industrial relations. That is, upon the way in which our relations as trade unions and employers organizations depend overwhelmingly on the way in which you understand that the other things that are happening in our community are going to colour our attitude to the trade union movement to industrial relations.

Now, I have said, and I repeat, that these two aspects of the

dimensional problem, that is the time dimension, that is the relation of future industrial relations to the present and ^{to} the past, and the lateral dimension, that is relating industrial relations problems to other which impinge upon them is related. It seems to me that this ^{is} obvious and I certainly hope from what I want to develop to you Mr. Chairman that it can be seen by all our guests here tonight that they are inter-related. Now if I may go first of all therefore to this time dimension aspect, that is the proposition which says that we will not understand the future of industrial relations in this country unless we understand what has happened in the past and what is happening in the present. Now before I look at that in view of the time dimension that is the significance of ^{FUTURE} industrial relations in the present and the past, it seems to me that it is important to understand the constants in this equation. There are I believe certain constants which are self-evident. I don't want to appear as a philosopher or as a wisdomist, ^{IN THIS} but there seems to be three constants - whatever your philosophies are, whatever you are committed to - happens to motivate you in this time dimensional exercise of acknowledging that the future industrial relations will reflect the present and the past, nevertheless there are more constants. I would like to name them. I think that the constants are, firstly, that man is concerned normally to protect and advance the position of himself and his dependents, and that that concern will be true of his material position and his opportunity position. I think the second constant is this that man normally comes to the conclusion that he is best able to achieve those results by depending not exclusively upon his own resources but by utilising or co-operating with the resources of others, and I think the third constant in this time dimension is that man creates constitution, institution and convention to facilitate and formalise his co-operation with others to achieve those results.

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I think whatever your philosophy or idealology is you will come back to the conclusion in your study of this time dimension that those three things are constants. A) the Concern of Man with the protection and advancement of his position and the protection and advancement of his dependents; B) he normally comes to the conclusion that he will best achieve those results not exclusively by depending upon his own resources but by utilising and co-operating with the resources of others and; C) that he will constantly create constitutions, institutions and conventions to facilitate that co-operation and to formalise it.

Now, as I say those are constants and I believe they are true by definition of the past, the present and the future.

Now the significance of ^{THESE} ^{DIMENSION} the time element in any discussion about the future, and particularly of the future of industrial relations obviously turns upon the third of these constants. That is that man creates constitutions, institutions and conventions to facilitate and formulate his co-operation with others to achieve these results and what of course is crucially is the question that carries with that constant and that is are the constitutions, the institutions and the conventions ~~with which~~ which he has established is the past which are operating in the present either unchanged or with modifications are all those constitutions, institutions and conventions appropriate to the future which he can now see as a rational intelligent human being unfolding before him. Now let me, Mr. Chairman, relate that issue, that is the third constant and the question contained in the first constant to the Australian scene and particularly in regard to this issue that you have asked me talk about, the future Industrial Relations.

Let me repeat, this is the third constant in the time dimension, that is that man ~~himself~~ does create constitutions, institutions and conventions to formalise and facilitate his co-operation with others to achieve those results which ~~he~~ he has in mind, and the question whether ~~they~~ those constitution; institutions and conventions remain true appropriate to the achievement of his results and I am relating that to the Australian scene and particularly in regard to this question of the future of industrial relations.

Now if you do this, if you relate it to the Australian scene it seems to me that certain things become quickly obvious if you intelligently look at the situation. Australian's throughout history in many areas of our affairs have concluded that the constitution, the organisational arrangements, the conventions which previously regulated their affairs ~~now~~ no longer remain a ~~practical~~ appropriate to their ends, no longer remain appropriate to achieving the sorts of things that they want to achieve. Mr. Chairman, without perverting the whole area of Australian affairs, that is, without going for instance to those things that as Australian citizens we are now asked to regard as fundamentally important even to the extent of asking our 20 year olds to go and die, without going to those sorts of considerations, let's confine our analysis in relation to what I have been saying to how we change our conventions, our organisations ~~and~~ our institutions to the sphere and the field of industrial relations. Let us look ~~in~~ first of all at the side of industry, and then in a moment we'll look at the side of labour.

Now looking first of all, Mr. Chairman, at the side of industry - your side, not my side. I wonder whether you and your ~~Executive~~ ^{MANAGING DIRECTOR}, Mr. Holcroft, or the other executives of industry

who are gathered here tonight, as you move into the 1970s I wonder whether you would regard the internal organisation of your enterprises which operated at the beginning of this century as appropriate now to the achievement of your purposes. I would understand it as very likely, Mr. Chairman, and Mr. Holcroft, that if you detected at any point within your enterprises an organisational system which was in fact the one which was operating 70 years ago I think it very likely that you would dismiss on the spot those people who continued to operate according to those systems of organisation and enterprise. To the very simple and intelligent and obviously correct reason that you would regard as we go into the 1970s such a system and such a mess of organisation as being utterly inappropriate. One has only to ask the question in regard to your industry and in regard to the industry of the people that you would not tolerate to go into the 1970s a system of organisation or enterprise which was exactly the same as that which operated in 1900.

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Your achievements as such in an enterprise, as an organisation and us within the Labour movement freely concede that the achievements of very large areas of Australian industry are something of which we can all be proud. Your achievements within industry are attributable basically to the fact that you have changed your organisation, you have changed your methods of operation, you have changed your relations with others with whom you have been associated, because you have understood that those relations, those organisations, those methods of operation, which may have been relevant in the past, are no longer relevant to the current and predictable realities with which you are confronted. Indeed this is virtually a circular discussion and a circular proposition, because those current and predictable realities which we are talking about have been self-generating.

As you in management in one area, have changed your modes of operation, as you have changed your modes of organisation, as you have changed your relations one with another, you have by necessity imposed upon others within the productive process the compulsion to change their's.

totally true of industry of management, if we are going to talk about this thing that I have put to you as a proposition, one totally and incontrovertibly true is this, that the role of Australian industrial and economic achievement, as we go into the 1970's, would not have been possible unless you collectively and individually, and self-generatively had said as we pass through time in this twentieth century, the organisations, the forms of enterprise of the nineteen hundreds are not suitable to the needs of the day, we will change dynamically to make ourselves equipped to deal with realities with which we are confronted.

That is the economic dynamism which is the truth of 1970 in Australia. Now I have talked about this truth on the side of the organisation industry. Let us go to labour -- organised labour.

We in the trade union movement, it may not be true that we have had the dynamic force operating within our movement to make ourselves equipped year by year to deal with the economic realities with which we are confronted, but it is nevertheless true, that the trade union movement of 1970 is an infinitely different, and an infinitely better equipped organism than was the trade union movement of 1900. The processes of amalgamation have proceeded at times slowly but they have proceeded surely, and at this moment, as we move into the 1970's, I think they have accelerated to a considerable degree. On our part, on this side of the industrial relations bench, we know that the form of organisation which marked the trade union movement of 1900, is an infinitely inadequate form of organisation for 1970, and we are trying to do what we can and should about making ourselves more efficient, and I think we have done as much as we should -- I hope that we will in fact in the near future move much more quickly than we have in the past to relate our organisation, our forms of enterprise, to the realities with which we are confronted. So clearly it is true we have this time dimension element, that you on your side of the industrial relations bench, Mr. Chairman, we on our side have realised that what we are going to be in the future in terms of our competence, our efficiency, is going to be a function of how we have learnt from the present and the past, how in fact, we have adapted our forms of organisation, - or as I put it before, our constitution, our institution and our conventions, - how we have adapted those things to the realities with which we are confronted.

Brambles in 1970 would be bankrupt if it tried to operate according to the concept of 1900. You are not bankrupt because you have changed with the necessities of time. We, on our part, would be infinitely less efficient in the trade union movement if we tried to operate according to the concept of 1900.

So this is true of us, - we are aware of the time dimension of how we are going to be affected in the future according to our analysis of the present and of the past. But unfortunately, Mr. Chairman, this is not true of

our society as a whole. If we look at our wider context in which we operate as an industrial relations group of people, the society in which we operate has been dormant, and has been very dormant. It may be, I think, that this is because we are operating within a federalist society and that this creates particular problems. But what is in fact true, is that in 1970 as we go into the 1970's, our society as a whole has not done those sorts of things which you on your side as industry, which we on our side as a trade union movement, have done. You have changed, you have lived with the times, you have abandoned irrelevancy. We, perhaps not as fast as you, have done the same thing. But this wider community within which industrial relations operate, have not done these things.

Today in 1970, we still have to operate constitutionally in a situation whether we go under the same constitution, before the same institutions and with the same conventions as operated 70 years ago. This seems to me to have been particularly diminishing upon our opportunity on your side and on our side, to have the sort of industrial relations which are appropriate to the way in which you conduct yourself organisationally, and we conduct ourselves organisationally.

For instance, and without going into this in great detail, because the time is not available -- one really needs to go to that sort of thing which I have on many other public occasions talked about. That is the fact that very recently in our affairs as a community, in 1969, in our Federal Parliament, we did indulge in a luxury of asking what the time dimension means in regard to our political arrangement. Our Commonwealth Parliament said, "let's appoint a committee, an all party committee, which would in fact look at our relationships, and ask the question whether we move into this second half of the twentieth century, whether our constitutional and institutional arrangements, were valid. -- whether they constituted the appropriate environment within which, interalea, we could properly have the industrial relationship which was relevant to the sort of economy in which we are operating." Now that all-party committee which brought out its report said "no" and obviously and without possibility of contradiction brought out a report that it is absurd, they said, and

they were a group of very conservative gentlemen, let me say, for instance, that one of the members of that committee was a gentlemen called

, our High Commissioner in London, -- and as I understand it no-one would label him as a radical or as a socialist, but was a signatory to this report which said "look your time dimension is 'up the creek'. The future of Australia is being hampered unduly by the fact that presently, you are confined by the past. That the constitutional and institutional arrangements which now determined the way in which you are going into the second half of the century, are out of date. They said that the Arbitration Commission, for instance, is being improperly asked to undertake certain duties of relating wage fixing decisions to what should happen in terms of an integrated economic policy. -- And they said that certain changes should be made.

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Without going into/details, I think that you will understand that this is the point which you will understand the inter-relationships of the two aspects of this dimension issue to which I have been referring.

The first point that I have been talking about was the first problem of dimension, - that is ~~the~~ relating the future to the present and to the past. Within the trade union movement our real issue, if you like, we use Mr. Chairman, on the other side of the industrial relations fence. Our government, and I find it on most occasions difficult to distinguish government and yourself, the real issue that we have is not merely your unawareness of this time dimension problem the inadequacies of existing institutions to deal with the future, but it is that you will not understand our insistence upon the fact of the lateral dimension of industrial relations. In other words, we say that our assessment of the future of industrial relations in this country, is very significantly determined by the previous performance of the tribunal set-up of the relationship, that is the Arbitration Commission. We believe that in the past and in the present this performance has been eminently unsatisfactory. But, and I hope that you will understand the wisdom of what I am putting to you, we believe that basically this performance of the Arbitration Commission has been unsatisfactory because of the too blind refusal of government of employers and of the Tribunal

itself to understand the lateral dimension of this problem. That is, the relationship of the decisions of the Arbitration Commission to the other areas of economic decision making processes, which will in fact in upon and determine in fact, the quality and effect of the decisions of that Arbitration Tribunal itself.

Very briefly, let me put to you, Mr. Chairman, this point.

If you wanted to summarise the 1960's, the decade before we go into the future of industrial relations, -- if you wanted to summarise the attitude of employers of government, and of unions, -- this is what you would come to. Employers say as they invoke quickly and like charletons and people visiting a brothel, the concept of public interest, -- that is they use it but they don't love it, -- as they embrace the concept of public interest before they into the Tribunal, they say ~~everything~~ ^{it is} in public interest, that these claims of the unions should be used not as a claim of the unions against us or for them, though something which is going to have an impact upon the public interest, and you therefore, the Tribunal, should view their claims and not as claims merely for themselves or as something against us, but as something which is going to affect the public interest and so their claim for an increase in the price of what they have to sell should be looked at in that sense.

The Government, and as I say, you cannot easily or readily distinguish the government from the employers in these proceedings in this decade. Let me tell you the story, I suppose you have all heard it, because you are all intelligent looking people, you all read the "Australian", you all read the most intelligent letter that has ever been in the newspaper in the post-war period, -- it was this letter about three weeks ago, -- it was a letter by a man called Burchall in the "Australian" and he said briefly, "Dear Sir, May I suggest that the Australian Government should sell its 24 F11's to the Israeli Government. This would at one and the same time solve two problems. Firstly, it would solve the problem of whether the Australian government itself should accept or reject the F11 and secondly, it would continue in a state of complete mystery which side we support in the Middle East crisis".

Now while there may be that air of mystery about who the Government supports in the Middle East crisis, there is no doubt which side they support in industrial relations, and I am coming therefore, at this point to my analysis of what has been happening in the last decade. I have told you what the employers argument is and their brothel-like embracement of public interest, the Government is no different, and in fact I think they are slightly more open to criticism, - they are equally brothel-like in their approach. They embrace the public interest, but don't love it, and in fact they come into the Arbitration Commission and say to the Tribunal the public interest demands that we should either reject or at least that you should minimise the demand of the unions, because if you do not do this then in fact the public interest will be against by the fact that costs could increase, -- this would have a terribly affect upon marginal farmers, upon pensioners and upon all these people about whom we can very easily and

And so they say to the Tribunal, please don't do anything about either or giving too much to these unions because this thing called the public interest should be loved and protected.

The unions say this, and I think the record will show that this is exactly what we do say: We are not unaware of the problems of marginal primary producers. We are not unaware of the problems of pensioners, -- we are not unaware of the fact that an increase in the price of labour will increase costs, and therefore economically have an impact upon rising costs in the Australian economy. But we say, in the time dimension element to which I have been referring, that nothing has been done about changing you, as an Arbitration Tribunal. You still happen to be a Tribunal for the settlement of industrial disputes, -- nothing has been done about changing your responsibilities, and if this thing called the public interest which we embrace not in the proper -like concept but we embrace lovingly, and meaningfully, if the public interest is going to be protected, then this has to be and entire concept and if, in fact, you are going to

look after the interests of the public, then you the employers, and you the Government have to do things, (not merely say things) but you have to do things which are in fact going to look after the public interests. We say, for instance, that it is absurd for this Government, which embraces the public interest -- we say that it is absurd for you, who are represented collectively by the employers who are in these Tribunals, that it is absurd for you to come in and pay a lot of money to council and say that the reasons for making the decision about the price of labour should be the public interest, if in fact you are not prepared to create the apparatus within the community which is going to enable us collectively to bring the time dimension factor into perspective. That is to say, what happened in the past, what has emerged in the present, is not appropriate in the future. That is, that we shouldn't in fact, prevent this stupidity, for instance.

In 1968 in the State of N.S.W. which we will use as an example, the unions in N.S.W., and there are some representatives of the Iron Workers here. Those unions responsibly, and dedicatedly, had to spend the whole of that year in the public interest, in preparing their claim for an increase in the price of what they had to sell, that is their labour within the steel industry, to take it before the N.S.W. Industrial Commission. They did a good job, an excellent job, and they were required to do this because it was in the public interest. At the end of a year of preparation and presentation the Commission handed down a decision which gave them an increase not all they asked for by any means. It gave them an increase in the price of what they had to sell. And the public interest that we all talk about and some of us in different degrees of reality embrace, the public interest had said that the Iron Workers should do this. Within a matter of two weeks after they had done that, the respondents in the case, B.H.P. essentially what they are, -- in two weeks they increased the price of certain of their products. As distinct ~~from~~ ^{from} the requirement upon the Federated Ironworkers who had to prepare and present the case in the public interest, because what happened to the price of labour could affect the public interest, -- there was no requirement upon the respondents to do this. The other great of that situation was repeated after the 1969 national wage case when again

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after we had been required to go in and get this miserable increase of 3%, from the Tribunal, B.H.P. were as free utterly, to go into the privacy of their Board Rooms, and increase the price of their product by 3.7%. I don't suppose there is one single person around this well filled room who would suggest that the decision of B.H.P. to increase the price of their product by 3.7% didn't infringe upon the public interest, didn't go to the who economic cost structure of Australia. But these employers of whom you are ~~xxx~~ a part, this government did not in fact say, and still does not say, that the industrial relations structure in Australia requires any action on the part of these people to justify their action.

Now, we say that this Arbitration Commission that we are in fact confronted with in the federal field, that this Commission which is the centre-piece if you like, of our thinking about future industrial relations in Australia, has been put, if you like, in a false position. It hasn't really adopted the position of the employers -- it certainly hasn't adopted the position of the employees unfortunately. If what it has done is to do something which solves nothing, I believe it solves nothing, and it certainly reflects very little credit on itself as an ~~xxxx~~ Institution. In 1969/70 these are things that happened. There are three major cases in 1969. There was ~~xxxxxxx~~ ^{firstly,} the equal pay case, the organised trade union movement spent a lot of time, a lot of energy, and I think, spent it well, in trying to say what should happen in regard to equal pay in Australia. The organised employers of Australia did the same thing. There was only one thing which we had in common basically and that was that the Commonwealth Government was wrong in what it was putting to the Commission. Some sections of the diversified employers movement thought that the Commonwealth was wronger than other sections of the employers movement thought, but nevertheless we were at one in saying they were wrong. The Commission said that their decision would be a translation of the Commonwealth submissions, from submissions into decisions.

MR. HAWKE'S SPEECH TAPE 4.

Other sections of the employers movement thought fit but nevertheless we were at one in saying they were wrong. The Commission said that their decision would be a translation of the Commonwealth submission from submissions into decisions. We have then the National Wage Case. The Commission again basically transferred the wishes of the Commonwealth Government into a decision. In the Engineers Case the same thing happened after a long complicated case the Commonwealth Arbitration Commission translated the decision of the Commonwealth Government in its employing capacity in the Public Service Board they translated that Commonwealth Government decision into a decision of the Arbitration Commission and we have had a couple of decisions since then which are of the same kind.

Now I am not really concerned in talking about the future of Industrial Relations to criticise the Commission, I think that in fact they have been terribly wrong "death wishey" sort of decisions, but I think the attack on Mr. Chairman basically if you are talking about wanting to achieve sensible and decent Industrial Relations in the 1970s should ~~not~~ be directed not to the Commission but should be directed to the Government and in a sense to ourselves as a community which tolerates the absurdities which have emerged in the 1960s. I believe, if I may go finally into what I am saying about the state of industrial relations in the future, I think that the state of these industrial relations is going to be a function basically of the acceptance by employers and by government of the insistence of the Trade Union movement that whatever determines the well-being of people within those relations that is within industrial relations will depend and will continue to depend upon what happens in the rest of our economic relationships within Australia, and ~~relatedly~~ relatedly it is going to depend upon the acceptance by the Government and by you in the employers ranks that the Commission has to be no longer put in the false position of on the one hand saying that the time dimension has not altered. That is that the constitutional arrangements they operate in 1970 are the same as

they were in 1900, but on the other hand being asked to face up to the problem but the economic relationships of the 1970s are such that whatever it does with regard to wages impinge upon the rest of the economic decision making processes in the society. I hope I can conclude on this point which will bring together all I have tried to say about this issue which essentially I think can be reduced to this point but if you are going to talk about Industrial Relations in the 1970s you have to do two things.

Firstly you have to understand if those relations will be determined by what has been done now and what has been done in the past.

and Secondly the other dimension that you have to relate Industrial Relations to the decision making processes about profit and price control and so on.

You have to understand all that and come I hope to this conclusion that you as an employing group associated with other employers and the Government can make one of two decisions. There are two alternatives I believe open to you and according to what decision you make then that is going to determine the nature of Industrial Relations in the 1970s.

First of all let me put what I regard as the least attractive alternative. What you can do as one alternative is to say in fact as a Government, with which you have some influence and you can say as an employers organisation that the 1970s into which we move are no different to the year 1900.

You can say that nothing has happened, that it is still the same world you can say for instance that we don't need to change our apprenticeship training system, let us bungle on, don't ask the Trade Union Movement to change its attitudes, don't let us go through the trauma of change because it is a different world. ...3/4

Let us say that it is still the same world in the 1970s as it was in 1900 and we don't need to do anything different, and give to the Trade Union movement the same laissez faire race as you want in 1970 and as were fashion in 1900. Let us go out use our economic power our industrial strength to hold you up to ransom to do what we like, let Unions hold us up to ransom put up proces if you want to, don't have to subject your decisions to a tribunal in the public interest which can look at your claims as to whether you are entitled to put up your proces just lets have a free run all of us. We'll abolish the penal provisions, we'll have a free run and so will you. Nothing has changed. Let's go back to the jungle. That is one thing ~~xy~~ you can do.

The second thing you can do is to say that the time and the lateral dimension has changed for both of us. But it has changed equally for both of us.

That neither of us you on your side and we on our side should be allowed to operate, as we go into the 1970s in the same way.

Our Arbitration tribunals should not be asked to put themselves in this quite false position of operating on one and the same time the proposition that the Constitution has not changed but the economic ~~xxx~~ circumstances have.

Let us say as a community to you as a group of employers that it si a different world in the 1970s. Quite a different world in which if we have got claims on limited economic resources that we should be required within an adjusted arbitration system to justify our claims in the public interest, and that you on your side are just as likely to affect the public interest by the claims that you make by your procing processes, and that you should be required to justify those claims.

I believe that if you adopt this second alternative, rather than a law of the jungle, the Industrial Relations picture of the 1970s will be a more sensible one.

I believe that not only will Industrial Relations in the 1970s be more sensible but I think that we will if we do these things rather than adopting the former alternative, we will give ourselves as an Australian community going into an entirely different world in 1970 a greater chance of maximising production and achieving a more equitable distribution of production within our society.

That of itself will be important and will be something we have not done up to this date but again putting ourselves in the wider dimension if you like and I have been concerned with talking about dimensions.

I believe that we will ~~not~~ achieve that situation within Australia, and if we do these things and we maximise production and create a more equitable system of distribution in Australia then we will create a base from within Australia from which we can make a significantly greater contribution to the welfare of that part of the world by which we are surrounded and I do believe that this is ultimately the most important consideration, because we can conceive I imagine the most desirable efficient form of Industrial Relations in Australia. But if collectively as employers and as unionists within the Australian community as a whole we have not done all these things which are most ~~ik~~ likely to achieve an international friendly relationship and a peaceful relationship with our neighbours in ~~x~~ whatever we have done internally will ultimately I think prove to have been in vain.

And so I think that we should not only from the point of view of self interest as a trade union movement but from the point of view of ~~xxx~~ organised employers and of Government, we should swiftly try and demolish the anachronisms which are currently I think devilling Industrial Relationships in the 1970s if we do the sorts of things that I suggest I think we will have the ~~xxxxx~~ rewards not only in Industrial Relations but in Australia's economic growth and in the broader dimension in our relations with other countries.