



## MEDIA RELEASE:

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### Is multi-employer bargaining the answer for the future of work? The AIER advocates for multi-employer bargaining in a new book, but business and unions disagree at industrial relations debate

With the ALP's *Secure Jobs, Better Pay Bill* about to be introduced, the possibility of re-introducing multi-employer bargaining (MEB) became the focus of a heated discussion at this year's Australian Institute of Employment Rights' (AIER) 12th annual Ron McCallum Debate on **Monday, 24th October 2022**, giving a litmus test of unions' and employer groups' contrasting views.

The Minister for Employment and Workplace Relations, Tony Burke, joined speakers from the ILO, ACTU, Master Builders Association, business representatives and experts at the Sydney-based Debate, chaired by Iain Ross, the President of the Fair Work Commission. The topic was, *'How can we future-proof work relations in these times of crisis and change?'*

Liam O'Brien, assistant secretary of the ACTU, and Melissa Donnelly, National Secretary of the CPSU, argued MEB is the way to get wages rising again, to reduce gender inequality, and to speed up the introduction of new forms of leave and working conditions. Melissa argued, the progress of leave and working conditions had languished under single enterprise bargaining, which caused new standards to be rolled out very unevenly. President Ross conceded increases in leave used to progress through the tribunals (annual leave increasing from 1-4 weeks, for example, and family and domestic violence leave being introduced) but things like paid parental leave have now been left to the political space.

The AIER's new book, **A New Work Architecture: the AIER model for the future of work** was launched at the Debate, and proposes removing all restrictions on multi-level bargaining in compliance with international labour standards, arguing that MEB would help future-proof industrial relations. John Ritchotte from the ILO elaborated that bargaining ought to occur at any and all levels that the labour market partners wished, including the local work place, industry, sectoral, regional, and even national level. *"Multi-employer agreements are... more likely [than enterprise agreements] to offer a more inclusive form of labor protection covering migrant workers and workers in diverse forms of employment, as well as complimenting social protection such as unemployment, insurance, healthcare, and pensions,"* he said.

John Ritchotte suggested collective bargaining and MEB was a tool that could help informal workers, gig and platform workers. To aid this, Liam O'Brien suggested workers engaged in MEB need the full range of bargaining rights and protections or else *"it's not bargaining, it's begging."* Emeritus Professor Ron McCallum said that... *"what do we actually do about people who aren't running their own businesses but are delivery riders, who aren't being paid appropriate wages with no entitlements? Do we just let that go on? Or should we say as part of the workplace, they should be included? I mean, we can't go on forever saying that that doesn't matter."*

Minister Burke said the Fair Work Act had to be updated to deal with the needs of the modern workforce, and something had to be done to aid gig workers as *"21st century technology should not demand 19th century working conditions... we do need to find a way that we can keep the technology, and yet people can have some minimum standards and some minimum rights"* but he gave little hint of how MEB will be dealt with in the new Bill.

Employer representatives present at the debate were sceptical of MEB. Denita Wawn warned MEB would limit the flexibility employers need and would lead to lower wages in the long term because it would limit productivity. Stephen Smith of Actus lawyers argued that current (single) enterprise bargaining improved productivity and the system needed to be *"as flexible as possible while preserving fairness for all."*

Melissa Donnelly indicated flexibility was currently unbalanced. *"I think from where I sit, we have flexibility in the system right now, but it's pretty one way. When you think about the insecure work rates, across the economy, when you think about how few employees are covered by collective agreements today, there is flexibility, but it's predominantly with employers."*

Mark Perica from the AIER quoted Joe Isaacs, the late labour market economist, who argued MEB increases productivity because it *“takes wages out of competition and forces the less efficient firms, rather than being subsidised by lower wages, to operate at greater efficiency in order to survive.”*

The AIER’s new book proposes a Robens-style system based on objectives rather than prescriptive rules and more comprehensive and universal standards overseen by an expanded Fair Work Commission. Picking up on ideas in the book, to which she is a contributor, Professor Anna Chapman said, it was, *“really worth pursuing this idea of a simple system based on an idea of “fair go” and then articulating that in ways that draw out, draw upon important principles”* in order to future proof industrial relations.

James Fleming (AIER) said after the debate: *“As Justice Ross highlighted in the debate, industrial relations is really at its heart about a relationship – that between business and unions. We want to see that relationship grow stronger, and for both unions and employer groups to grow stronger, and to return to taking greater responsibility for co-managing the labour market through bargaining at all levels.”*

AIER Executive Director, James Fleming, is available for interview.

## **AIER BACKGROUND**

The Australian Institute of Employment Rights is Australia’s leading industrial relations think tank. We strive to promote better industrial relations between unions, business and government and a fairer, more co-operative workplace relations system. We are independent, non-partisan and not-for-profit. Our multi-stakeholder structure and work in promoting international and fundamental labour standards is inspired by the International Labour Organization.

## **RON MCCALLUM BACKGROUND**

Emeritus Professor Ronald C McCallum AO is widely recognised as Australia’s leading labour law expert and one of the world’s leading disability advocates. Ron has been blind since birth and, as he relates in his 2019 Memoir, ***Born at the Right Time***, thanks to new assistive technologies and the encouragement of those around him, he became the first totally blind person to be appointed a full professor at any university in Australia. Ron is a past Chair of the United Nations Committee on the Rights of Persons with Disabilities, the key global body for disability rights, and was named Senior Australian of the year in 2011. Ron is a patron of the AIER and the debate is named in honour of him and his life’s work in promoting justice and fairness at work.

A recording of the Ron McCallum debate can be viewed [here](#). The Debate flyer with the full list of participants can be found [here](#). For an overview of the book, see the publisher, Hardie Grant Books’ page [here](#). Available from bookshops on **1 November 2022** or for pre-order now from the AIER’s website [here](#).

## **Media Contact**

Jane Kewin | Media Adviser  
Australian Institute of Employment Rights Inc  
e. [media@aierights.com.au](mailto:media@aierights.com.au)  
p. +61 407 101 299

## **ENDS**

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ABN 29 685 578 949  
Level 1 / 214 Graham Street  
Port Melbourne VIC 3207

e [admin@aierights.com.au](mailto:admin@aierights.com.au)  
p 03 9647 9102  
f 03 9647 9199